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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

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| In Re<br><br>ACACIA MEDIA TECHNOLOGIES CORPORATION | Case No. C-05-01114JW<br><br>**ROUND 3 DEFENDANTS' NOTICE OF MOTIONS AND MOTIONS FOR SUMMARY JUDGMENT OF INVALIDITY UNDER 35 U.S.C. § 112 OF THE '992, '863 AND '702 PATENTS**<br><br>Date: TBD<br>Time: TBD<br>Courtroom: 8, 4th Floor<br>Judge: Honorable James Ware |

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## NOTICE OF MOTION AND STATEMENT OF RELIEF SOUGHT

TO PLAINTIFF AND ITS COUNSEL OF RECORD,

PLEASE TAKE NOTICE that, as soon as practicable after briefing is completed on the Round 3 Defendants' Motions for Summary Judgment of Invalidity under 35 U.S.C. § 112, the Round 3 Defendants (Time Warner Inc. and CSC Holdings, Inc.) request to be heard before the Honorable James Ware, at 280 South 1st Street, San Jose, CA 95113. The current schedule, as set forth in the May 27, 2008 Order, sets the completion of all briefing on these issues for January 9, 2009, with complete "binders" due in chambers on or before 3:00 p.m. on January 16, 2009. The May 27, 2008 Order further provides that "[u]pon review, the Court will set as many hearings as necessary to adjudicate Defendants' motions."

Pursuant to Rule 56(b) of the Federal Rules of Civil Procedure and Local Rule 56-1, the Round 3 Defendants, by and through undersigned counsel, seek an order, on the particular grounds specified in the Proposed Order attached hereto, declaring claims 41, 45 and 46 of the asserted U.S. Patent No. 5,132,992, claims 17-19 of the asserted U.S. Patent No. 5,550,863, and claims 1-42 of the asserted U.S. Patent No. 6,144,702, invalid under 35 U.S.C. § 112 for failure to comply with one or more of the written description, enablement and definiteness requirements, and the requirement to claim only what the applicants regarded as their invention.

The Round 3 Defendants have prepared a single consolidated brief in support of their various motions. While the consolidated brief exceeds the page limit set forth in Local Rule 7-2(b), it does not exceed the collective limit for the various motions. To the extent the Court deems this filing to be a single motion and to the extent Local Rule 7-2(b) is applicable to this MDL action, the Round 3 Defendants respectfully request that the Court waive the page length requirements set forth in that rule for the briefing associated with these motions.

These motions are based upon this Notice of Motions and Motions and accompanying Memorandum of Points and Authorities, the supporting declaration of David S. Benyacar, all pleadings and papers on file in this action, and upon such oral argument and other evidence as the Court shall consider prior to or at the time of the hearing on this motion. There is no genuine issue of material fact regarding the invalidity of the above claims, and the Round 3 Defendants, as the moving parties, are entitled to judgment as a matter of law.

## MEMORANDUM OF POINTS AND AUTHORITIES

### Preliminary Statement

Time Warner Cable Inc. and CSC Holdings, Inc., (the "Round 3 Defendants") submit this brief in support of their motions for summary judgment that each of the patent claims asserted against them is invalid for failing to satisfy one or more of the written description, enablement and definiteness requirements of 35 U.S.C. § 112.[1]

As we shall demonstrate, the asserted claims are invalid under § 112 for many independent reasons. At bottom, however, the primary basis for this motion is quite simple: the putative invention is a "transmission system" and a "receiving system" which perform a number of allegedly novel functions, but the inventors did not describe any way to make these systems or to perform these functions. For example, there is no description of the components which form the transmission and reception systems. Instead, the specification depicts simply interconnected blocks on a page having names coined by the inventors, together with a wishful, vague and confusing description of the *functions* of those blocks. In essence, the applicants merely put forth an outline of a transmission and reception system that they wished could be designed, but which they had not designed and which could not be designed.

---

[1] The following claims remain asserted against the Round 3 Defendants:

U.S. Patent No. 5,132,992 ("'992 patent") claims 41 and 45-46,
U.S. Patent No. 5,550,863 ("'863 patent") claims 17-19, and
U.S. Patent No. 6,144,702 ("'702 patent") claims 1-42.

These claims are referred to herein as the "asserted claims," and these patents, together with U.S. Patents Nos. 6,002,720 and 5,253,275 (which are not asserted against the Round 3 Defendants), are collectively referred to herein as the "Yurt patents."

Because Acacia agreed that all the claims of the '702 are invalid based on the Court's finding that the terms "identification encoder" and "sequence encoder" are indefinite, (*see* Further Claim Construction Order; Order Finding Claims Terms Indefinite and Claims Invalid, dated Dec. 2, 2005 ("2nd CCO") at 18), claim construction proceedings with respect to that patent ceased. (*See* Fourth Claim Construction Order, dated Mar. 2, 2007 ("4th CCO") at 14 ("[T]he '702 Patent is no longer being asserted in this action").) Therefore, other than motions directed to "transmission system" and "receiving system," the Round 3 defendants do not bring any § 112 motions specifically directed to the '702 at this time, as the Round 3 defendants have not participated in any claim construction proceedings directed specifically to the claims of the '702.

The specifications of all five Yurt patents are substantively identical. All citations to the specification are to columns and lines in the '992 patent.

The inadequacy of the specification was recognized long ago. As early as 1992, the Yurt applicants' own technical consultants concluded that the specification was so lacking in detail that it did not even rise to the level of a "meaningful 'proof-of-concept.'" The David Sarnoff Research Center, commissioned by the Yurt applicants to evaluate their patent specification, delivered the following diplomatic yet devastating verdict:

> The general principles of the system outlined in the patent document appear to be technically correct, though *lacking in specific details* particularly at the subsystem level. *While the document may serve as a useful starting point for further development, significant additional design/simulation/prototyping work will be required for a meaningful "proof-of-concept."*

(Benyacar Decl. Ex. A (4/17/92 Sarnoff Research Rep.) at 3 (emphasis added).)[2]

Patent law demands more than a wish-list, more than an outline, more than a "useful starting point for further development." It demands a blueprint that one skilled in the art can actually put into practice. In particular, 35 U.S.C. § 112, ¶ 1 requires that the "specification *shall contain* a written description of the invention, and of the manner and process of making and using it, *in such full, clear, concise, and exact terms* as to enable any person skilled in the art to which it pertains . . . to make and use the same . . . ." (emphasis added). No reasonable jury could find that the Yurt specification satisfies these requirements.

---

[2] The '992 patent was filed on January 7, 1991, while the Sarnoff report was not issued until April 20, 1992. Thus, even accounting for advances in technology, the Sarnoff report concluded that the description of the patent was still not sufficient to permit one of skill in the art to make and use the invention even a year and a half after it was filed (much less as of the filing date as is required by law). *See, e.g., Adang v. Fischhoff*, 286 F.3d 1346, 1357-58 (Fed. Cir. 2002) (later references suggested non-enablement); *Genentech, Inc. v. Novo Nordisk, A/S*, 108 F.3d 1361, 1367 (Fed. Cir. 1997) (later references showing that particular method was not used for years suggests that knowledge was not within the skill in the art at time of filing).

Not only did the inventors attempt to patent systems and methods they did not and could not describe or implement, they later added claims to their applications directed to subject matter well beyond even the scope of the wish list contained in their specification. For example:

- The transmission methods of '992 claims 41 and 45 and '863 claims 17-19 are not limited to transmissions in response to user requests; they potentially encompass, for example, simple network television broadcasts such as NBC or CBS. Yet, as the Court has found, "[e]very part of the specification clearly states an intent by the inventors that the 'transmission system' and the 'receiving system' process, store, send and receive the information specifically in response to 'users.'" (6th CCO at 4 n.5).[3]
- Claims 17-19 of the '863 patent require "inputting an item having information into the transmission system," notwithstanding the fact that, as the Court has already determined, "the specification does not contain any description of how the transmission system places items into the system." (5th CCO at 16.)
- Although the broadest disclosed description of the invention is "an audio and video transmission *and receiving system*," and every disclosed method requires the transmission system to transmit to a receiving system, claims 41, 45 and 46 of the '992 patent require only that the transmission system transmit to a "remote *location*[]," a "position[] or site[] distant in space from the transmission system" that need not have a "receiving system" or any other kind of receiver. (1st CCO at 4-7 (emphasis added).)

Thus, the Yurt patents claim more broadly than the specification discloses, in violation of the written description and enablement requirements of § 112, ¶ 1.

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[3] The Court's claim construction orders are referred to herein by the following abbreviations: *Markman* Order, dated July 12, 2004 ("1st CCO"); Further Claim Construction Order; Order Finding Claims Terms Indefinite and Claims Invalid, dated December 7, 2005 ("2nd CCO"); Third Claim Construction Order, dated December 14, 2006 ("3rd CCO"); Fourth Claim Construction Order, dated March 2, 2007 ("4th CCO"); Order re: Motions for Reconsideration of Claim Construction Order; Fifth Claim Construction Order, dated October 19, 2007 ("5th CCO"); Sixth Claim Construction Order, dated February 13, 2008 ("6th CCO").

Finally, the asserted claims are invalid for failure to comply with the definiteness requirement of 35 U.S.C. § 112, ¶ 2. The asserted claims include terms that the Court has already found indefinite or "arguably indefinite"; they include phrases that are insolubly ambiguous or otherwise not amenable to construction; they recite method steps which cannot be completed in the specified order; and they include dependent claims which are inconsistent with the claims on which they depend.[4]

Accordingly, the Round 3 Defendants respectfully request that the Court enter a judgment adjudging each of the asserted claims to be invalid for the reasons set forth herein.

## ARGUMENT

## POINT I

## EACH ASSERTED CLAIM IS INVALID BECAUSE THE SPECIFICATION FAILS TO ADEQUATELY DESCRIBE AND ENABLE THE CLAIMED "TRANSMISSION SYSTEM"

Each asserted claim specifically requires a "transmission system," which the Court has construed to mean "the configurable, interconnected, assemblage of components labeled and described in the specification as 'transmission system 100,' a detailed block diagram of which is shown on Figures 2a and 2b." (6th CCO at 11.) As set forth below, Figures 2a and 2b and the accompanying text of the Yurt specification fall far short of satisfying the demands of the written description and enablement requirements of 35 U.S.C. § 112, ¶ 1.[5]

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[4] Based on the Court's prior determination that the claim terms "sequence encoder" and "identification encoder" are indefinite, and the Court's construction of "transmission system," Acacia has stipulated that all asserted claims are indefinite and therefore invalid. (Benyacar Decl. Ex. B (4/4/08 Stipulation of Acacia Media Technologies Corporation).) However, as set forth herein, the asserted claims are indefinite on numerous other grounds as well.

[5] With respect to the application of section 112, it makes no difference that some of the asserted Yurt claims are apparatus claims to a "transmission system" while others are method claims which use a "transmission system." *See Univ. of Rochester v. G.D. Searle & Co.*, 358 F.3d 916, 926 (Fed. Cir. 2004) (holding that if a chemical compound is not adequately described, a claim is invalid regardless of whether it is a claim to the compound *per se* or a claim to a method of using the compound).

### A. The Written Description Requirement

The Patent Act states that "[t]he specification shall contain a written description of the invention . . . ." 35 U.S.C. § 112, ¶ 1. Under this requirement, the specification "must describe the invention sufficiently to convey to a person of skill in the art that the patentee had possession of the claimed invention at the time of the application, *i.e.*, that the patentee invented what is claimed." *LizardTech, Inc. v. Earth Res. Mapping, Inc.*, 424 F.3d 1336, 1345 (Fed. Cir. 2005).

"The 'written description' requirement serves a teaching function, as a '*quid pro quo*' in which the public is given 'meaningful disclosure in exchange for being excluded from practicing the invention for a limited period of time.'" *Univ. of Rochester*, 358 F.3d at 922 (citation omitted). "'Adequate description of the invention guards against the inventor's overreaching by insisting that he recount his invention in such detail that his future claims can be determined to be encompassed within his original creation.'" *Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1561 (Fed. Cir. 1991) (citation omitted).

To satisfy the written description requirement, the patent specification must "set forth enough detail to allow a person of ordinary skill in the art to understand what is claimed and to recognize that the inventor invented what is claimed." *Univ. of Rochester*, 358 F.3d at 928. "[O]ne skilled in the art, reading the original disclosure, must 'immediately discern the limitation at issue' in the claims." *Purdue Pharma L.P. v. Faulding Inc.*, 230 F.3d 1320, 1323 (Fed. Cir. 2000) (quoting *Waldemar Link GmbH & Co. v. Osteonics Corp.*, 32 F.3d 556, 558 (Fed. Cir. 1994)).

Purely functional descriptions of things that are not known in the art do not satisfy the written description requirement. As the Federal Circuit explained,

> "The appearance of mere indistinct words in a specification or a claim, even an original claim, does not necessarily satisfy that requirement. . . . *A description of what a material does, rather than of what it is, usually does not suffice. . . . The disclosure must allow one skilled in the art to visualize or recognize the identity of the subject matter purportedly described*." . . . [F]or example, in the nineteenth century, use of the word 'automobile' would not have sufficed to describe a newly invented automobile; an inventor would need to describe what an automobile is, *viz.*, a chassis, an engine, seats, wheels on axles, etc.

*Univ. of Rochester*, 358 F.3d at 923 (quoting *Enzo Biochem, Inc. v. Gen-probe Inc.*, 323 F.3d 956, 968 (Fed. Cir. 2002)) (emphasis added). "Thus, generalized language may not suffice if it does not convey the *detailed identity* of an invention." *Univ. of Rochester*, 358 F.3d at 923 (emphasis added). The court invalidated Rochester's patent because it "d[id] not disclose any compounds that can be used in its claimed methods . . . [n]or has any evidence been shown that such a compound was known." *Id.* at 927. "The failure of the specification to describe expressly or inherently a single essential element is sufficient to invalidate a claim." *Regents of the Univ. of Cal. v. Micro Therapeutics, Inc.*, No. C 03-05669, 2007 WL 2580594, at *2 (N.D. Cal. Aug. 17, 2007) (Ware, J.).

"Compliance with the written description requirement is a question of fact but is amenable to summary judgment in cases where no reasonable fact finder could return a verdict for the non-moving party." *PowerOasis, Inc. v. T-Mobile USA, Inc.*, 522 F.3d 1299, 1307 (Fed. Cir. 2008). As this Court has pointed out, "summary judgment of invalidity of a patent claim on the ground that the patent specification fails to satisfy the written description requirement is appropriate when there is no genuine dispute about the material facts, and on the basis of those facts, the specification is inadequate as a matter of law." *Regents*, 2007 WL 2580594 at *4.

Indeed, "a patent can be held invalid for failure to meet the written description requirement, based solely on the language of the patent specification. After all, it is in the patent specification where the written description requirement must be met." *Univ. of Rochester*, 358 F.3d at 927. When a patent specification fails on its face to describe the claimed invention, "the patent in suit proves its own invalidity." *Id.* at 930.

### B. The Enablement Requirement

In addition to requiring an adequate written description, 35 U.S.C. § 112, ¶ 1 requires that the specification describe "the manner and process of making and using [the invention] in such full, clear, concise and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same . . . ." 35 U.S.C. § 112, ¶ 1. This is called the "enablement requirement" and, like the written description requirement, is part of the patentee's bargain with the public.[6] It "ensures that the public knowledge is enriched by the patent specification to a degree at least commensurate with the scope of the claims." *Nat'l Recovery Techs., Inc. v. Magnetic Separation Sys., Inc.*, 166 F.3d 1190, 1194 (Fed. Cir. 1999).

The enablement requirement demands that the patent specification teach one skilled in the art how to make and use the full scope of the claimed invention. In other words, "there must be sufficient disclosure, either through illustrative examples or terminology, to teach those of ordinary skill how to make and how to use the invention as broadly as it is claimed." *In re Vaeck*, 947 F.2d 488, 496 (Fed. Cir. 1991) (footnote omitted).

The Federal Circuit has ruled that "the specification, not the knowledge of one skilled in the art . . . must supply the novel aspects of an invention in order to constitute adequate enablement." *Genentech*, 108 F.3d at 1366. One may "resort to material outside of the specification" for other aspects of the claimed invention "because it makes no sense to encumber the specification of a patent with all the knowledge of the past concerning how to make and use the claimed invention." *Atmel Corp. v. Info. Storage Devices, Inc.*, 198 F.3d 1374, 1382 (Fed. Cir. 1999). However, for the "novel aspects" of the invention, the disclosure must be in the specification itself. *Genentech*, 108 F.3d at 1366.

In *Genentech*, the court found invalid as a matter of law a claim to a method of producing "human growth hormone" (hGH) by expressing and then "cleaving [a] conjugate protein." *Id.* at 1363. Although the specification disclosed the "DNA encoding hGH" and "cleavable fusion expression techniques," it did "not describe in any detail whatsoever how to" practice its claimed method of "mak[ing] hGH using cleavable fusion expression." *Id.* at 1365. Since that was a novel aspect of the invention, the failure to describe it constituted a failure of enablement. *See also Auto. Techs. Int'l, Inc. v. BMW of N. Am., Inc.*, 501 F.3d 1274, 1284 (Fed. Cir. 2007) ("Given that side impact sensing was a *new field* and that there were no electronic sensors in existence that would detect side impact crashes, it was especially important for the specification to discuss how an electronic sensor would operate to detect side impacts and to provide details of its construction.") (emphasis added).

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[6] A third requirement of § 112, ¶ 1, the "best mode requirement," is not at issue in these motions.

A patent specification therefore must disclose "more than a 'plan' or 'invitation'" for research which might lead to the invention; it must "provide sufficient guidance or specificity as to how to execute that plan." *Enzo Biochem, Inc. v. Calgene, Inc.*, 188 F.3d 1362, 1374 (Fed. Cir. 1999); *see also Genentech*, 108 F.3d at 1365 ("Tossing out the mere germ of an idea does not constitute enabling disclosure."); *Medtronic, Inc. v. Daig Corp.*, 221 U.S.P.Q. 595, 602 (D. Minn. 1983) ("One skilled in the art must be able to devise the invention without further genuine inspiration or undue experimentation."). "[T]he law requires that the disclosure in the application shall inform [skilled artisans] how to use [the invention], not how to find out how to use [it] for themselves." *In re Gardner*, 427 F.2d 786, 789 (C.C.P.A. 1970). It is not sufficient for the disclosure to say, "if you wish to practice our invention, go and find out how to use it." *Id.* Accordingly, the Federal Circuit has invalidated patents that only disclose "a starting point . . . [for] further research." *Nat'l Recovery*, 166 F.3d at 1198; *Genentech*, 108 F.3d at 1366, 1367 (same).

"Whether a claim satisfies the enablement requirement of 35 U.S.C. § 112, ¶ 1 is a question of law." *Liebel-Flarsheim Co. v. Medrad, Inc.*, 481 F.3d 1371, 1377 (Fed. Cir. 2007). Courts routinely grant summary judgment invalidating patents for failure to comply with the enablement requirement. *See Sitrick v. Dreamworks, LLC*, 516 F.3d 993, 1002 (Fed. Cir. 2008) (affirming summary judgment of non-enablement); *Monsanto Co. v. Syngenta Seeds, Inc.*, 503 F.3d 1352, 1362 (Fed. Cir. 2007) (same); *Auto. Techs.*, 501 F.3d at 1285 (same); *Ormo Corp. v. Align Tech., Inc.*, 498 F.3d 1307, 1319 (Fed. Cir. 2007) (same as to some claims); *Liebel-Flarsheim*, 481 F.3d at 1380 (same); *AK Steel Corp. v. Sollac*, 344 F.3d 1234, 1245 (Fed. Cir. 2003) (same); *Nat'l Recovery*, 166 F.3d at 1198 (same).

### C. Overview of Reasons the Yurt Patents' Block Diagram of a Desired "Transmission System" Fails to Satisfy the Written Description and Enablement Requirements

At the most fundamental level, the Yurt "transmission system" fails the written description and enablement tests of 35 U.S.C. § 112.[7] In this section we provide an overview of why this is so, and in Point I.D. below we explain the details of why each of the individual components and features of the claimed "transmission system" are insufficiently described and not enabled.

"Transmission system" as used in the asserted claims means "transmission system 100" as depicted in Figures 2a and 2b. (6th CCO at 11.) That transmission system, however, is nothing more than a "block diagram" of connected components described only by their function, many of which have names coined by the inventors. For example, the transmission system includes such components as a "source material library," "identification encoder," "converter," "time encoder," "pre-compression processor," "compressor," "data formatter," "compressed data library," "transmission format conversion CPUs," "library system control computer" and "library access interface." These are not off-the-shelf components that one can identify, buy from a catalog and plug together. Even Acacia's own expert acknowledged that most of the components of the "transmission system" would have to be specially built and programmed, or "customized."[8] Yet the Yurt specification does not describe the hardware and software that is required to build and program the various components of the transmission system. Nor does it describe how to implement the interactions of those components so that the transmission system can carry out the various functions of the transmission system such as "retrieving," "storing," "formatting," "assigning," "sending a request," etc. Every one of these deficiencies is fatal to the validity of the asserted claims.

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[7] Although written description and enablement are distinct requirements, they "usually rise and fall together. That is, a recitation of how to make and use the invention across the full breadth of the claim is ordinarily sufficient to demonstrate that the inventor possesses the full scope of the invention, and vice versa." *LizardTech*, 424 F.3d at 1345. Because the asserted claims fail to satisfy the written description and enablement requirements for substantially the same reasons, we will discuss them together.

[8] Acacia's expert testified as follows:

"Q. Would a person of ordinary skill in the art in 1991 have been able to go out and buy the components for the subsystem for the '702 patent that you have just described?

A. Some of them yes, *and some of them no.*

Q. And can you describe for the court the example of components of subsystems disclosed in the '702 patent that were available for purchase?

A. Certainly the computers that were used were generally available.

The Federal Circuit's decision in *Sitrick*, 516 F.3d 993, illustrates the point. The claims at issue were to methods of integrating a user's audio or visual image into a "presentation," which the district court construed as including both video games and movies. With regard to movies, the specification contained a block diagram accompanied by general functional language: "[t]he controller 260C . . . provides intercept logic functioning . . . such that the adapter interface system 110C selectively substitutes user image data for predefined character image data so as to provide an audiovisual presentation that includes the image integrated therein." *Id.* at 997. The Court upheld the district court's determination that such language was insufficient to satisfy the enablement requirement, because it did "not explain how it would function outside of a video game." *Id.* "The patents do not teach *how* to implement the 'intercept logic functioning' of Controller 260C in the context of movies. The patents do not teach *how* the [intercept adapter interface system] and its Controller 260C would perform such necessary steps as 'selecting' and 'analyzing' the predefined

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> *The software that would run on it probably would have to be specially designed*, although there would be software components that could be obtained in the marketplace that would be applied and it would be tailored to the specific applications.
>
> There were devices like what we call time code generators that were equivalent of the time encoder that could be obtained in the marketplace.
>
> *There were at that time compression systems that were not quite at the level that, that you would need for broadcast*, but there were certainly compression systems available in the marketplace.
>
> The storage subsystems were available in the marketplace.
>
> *Pretty much everything else I believe would have had to have been at least customized to work together in the system.*"

(Benyacar Decl. Ex. C (9/8/05 Weiss Testimony Tr.) at 52-53 (emphasis added).)

character image in a movie, or 'integrat[ing]' or 'substituting' the image in movies." *Id.* at 1000 (emphasis added).

Similarly, in *Auto. Techs.*, 501 F.3d 1274, the Court held that a claim to a side impact crash sensor that encompassed both mechanical and electronic sensors was invalid for lack of enablement because the specification did not adequately describe electronic sensors. Although the specification contained a paragraph and a figure showing an electronic sensor, the "paragraph and figure [did] little more than provide an overview of an electronic sensor without providing any details of how the electronic sensor operates." *Id.* at 1282. The figure was merely a box diagram of a "conceptional view," and the specification merely described "a sensing mass 202 which moves relative to housing 203 in response to the acceleration of housing 203 which accompanies a side impact crash." *Id.* at 1283. The Court held this was plainly insufficient:

> That general description . . . fails to provide a structure or description of how a person having ordinary skill in the art would make or use an electronic side impact sensor. . . . Noticeably absent is any discussion of the circuitry involved in the electronic side impact sensor that would provide more detail on how the sensor operates. The mere boxed figure of the electronic sensor and the few lines of description fail to apprise one of ordinary skill how to make and use the electronic sensor.

*Id.* Put another way, "*the specification provide[d] 'only a starting point, a direction for further research'* on using electronic sensors for sensing side impact crashes; it [did] not provide guidance to a person of ordinary skill in the art on how to make or use an electronic side impact sensor." *Id.* at 1284 (citation omitted; emphasis added).[9]

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[9] In *Auto. Techs.*, the Court stated: "Given that side impact sensing was a new field and that there were no electronic sensors in existence that would detect side impact crashes, it was especially important for the specification to discuss how an electronic sensor would operate to detect side impacts and to provide details of its construction." *Id.* The same is true here. The Yurt patents allege that the functions performed by the "transmission system" are novel and yet, as Acacia's expert testified, the components of the transmission system which together perform these functions did not exist in the art; this made it "especially important" for the specification to provide an adequate description. "It is the specification, not the knowledge of one skilled in the art, that must supply the novel aspects of an invention in order to constitute adequate enablement." *Genentech,* 108 F.3d at 1366.

Remarkably, the Yurt applicants' consultants described the inadequacy of the Yurt specification in language virtually identical to that used by the Federal Circuit in *Auto. Techs.* Asked to comment on the Yurt specification, Yurt's consultants at Sarnoff declared that it provided nothing more than a "starting point for further development" that was "lacking in specific details." (Benyacar Decl Ex. A (4/17/92 Sarnoff Research Rep.) at 3.) As the case law makes clear, that is not enough to satisfy section 112.

The reason that a mere "starting point, a direction for further research" is insufficient goes to the very heart of the patent system. As the Supreme Court has pointed out, "a patent is not a hunting license. It is not a reward for the search, but compensation for its successful conclusion." *Brenner v. Manson*, 383 U.S. 519, 536 (1966). Or as the Federal Circuit explained, a putative inventor's ability to describe "a mere wish or plan for obtaining the . . . invention" is not deserving of patent protection; the inventor must adequately describe the invention itself. *Univ. of Rochester*, 358 F.3d at 927.[10]

Acacia may be expected to argue that a skilled artisan could apply knowledge in the art to build and implement the "transmission system" of the invention based on the disclosure of the specification. Even if that were true, it would be of no help to Acacia. As the Federal Circuit has repeatedly emphasized, knowledge in the art cannot substitute for the failure of a specification to provide a written description and an enabling disclosure.

With respect to written description, the Court stated: "'It is not a question whether one skilled in the art might be able to construct the patentee's device from the teachings of the disclosure of the application. Rather, it is a question whether the application necessarily discloses that particular device.'" *Univ. of Rochester*, 358 F.3d at 923 (quoting *Jepson v. Coleman*, 314 F.2d 533, 536 (C.C.P.A. 1963)); *accord Lockwood v. Am. Airlines, Inc.*, 107 F.3d 1565, 1571-72 (Fed. Cir. 1997) (written description depends on what is disclosed, not on what is obvious from the disclosure);

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[10] Although *Univ. of Rochester* was a chemical case, the Court emphasized that the law under § 112, ¶ 1 is the same regardless of the technology that is involved in any particular case: "the statute applies to all types of inventions." *Id.* at 925.

*PowerOasis*, 522 F.3d at 1310 ("Obviousness simply is not enough; the subject matter must be disclosed to establish possession.").

Thus, the ability or inability of one skilled in the art to construct a "transmission system" is not relevant to the written description inquiry. The issue is what the Yurt specification discloses, "not . . . whether one skilled in the art might be able to construct the patentee's device from the teachings of the disclosure." *Univ. of Rochester*, 358 F.3d at 923. The knowledge of persons skilled in the art cannot supply a description that the Yurt specification itself does not have.

Nor can Acacia rely on knowledge in the art to remedy the Yurt applicants' failure to provide a sufficiently detailed enabling disclosure of how to construct and implement the claimed "transmission system." In *Auto. Techs.*, the Court rejected the patentee's argument that the knowledge of one skilled in the art could supply the missing detail: "'It is the specification, not the knowledge of one skilled in the art, that must supply the novel aspects of an invention in order to constitute adequate enablement.' Although the knowledge of one skilled in the art is indeed relevant, the novel aspect of an invention must be enabled in the patent." 501 F.3d at 1283 (quoting *Genentech*, 108 F.3d at 1366.) Because the novel aspect of the invention in *Auto. Techs.* was side impact sensing, and because the specification itself did not provide adequate details of how to make or use electronic sensors, those details could *not* be supplied by "knowledge of one skilled in the art." 501 F.3d at 1283.

Here too, the "transmission system" of the claimed invention is the very thing that is asserted to be novel; indeed, the specification repeatedly describes the "transmission system" and "receiving system" as the invention itself.[11] Accordingly, the enablement requirement cannot be satisfied by knowledge of one skilled in the art any more than it could in *Auto. Techs.*

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[11] *See* col. 1:6-7 ("The present invention relates generally to an audio and video transmission and receiving system . . . ."); col. 3:28-29 ("transmission system of the present invention"); col. 3:25-26, 51-52, 55-56, 65-66, col. 4:2-3, 15-16, 20-21, 31-32, 52-53, col. 6:35-36, col. 9:11-12, col. 15:65-66 ("transmission and receiving system of the present invention"); col. 5:60-61, col. 6:55, col. 7:59, col. 8:57, col. 13:29, col. 15:61 ("transmission system 100 of the present invention").

### D. The Components and Features of the Claimed "Transmission System" Are Not Sufficiently Described or Enabled

For the reasons set forth in our seriatim discussion of the components of the figure 2 "transmission system" below, *none* of these components are adequately described or enabled. However, the Court need not make such a finding or even address all of these components. Because the claim term "transmission system" means the transmission system depicted in figures 2a and 2b, (6th CCO at 11), if the Court finds that *even one* of these components is not adequately described or enabled, the "transmission system" claim term is not adequately described or enabled.

#### 1. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure of "Source Material Library 111"

The "transmission system" contains "source material library 111." The Court has construed "source material library" to mean "a collection of original sources of information." (1st CCO at 25; 3rd CCO at 30.) According to the specification, the "source material library 111 may include different types of materials including television programs, movies, audio recordings, still pictures, files, books, computer tapes, computer disks, documents of various sorts, musical instruments, and other physical objects." (Col. 6:10-15.) In other words, the specification describes the source material library as a collection of *physical* items. (3rd CCO at 14-15, 30; 5th CCO at 17.)

But that is *not* a sufficient description or enabling disclosure of a "source material library" as a component of the "transmission system." A collection of books, videotapes, computer disks, photographs, phonograph records and violins, all lying in one big heap on the floor, would qualify as a "source material library" as construed by the Court, but such a pile of items could not possibly function as a component of "transmission system 100." For the "transmission system" to carry out the functions attributed to it by the specification, there must, by necessity, be additional operative components in "source material library 111" that are *not* described in the specification at all:

- The specification states that information is somehow "retrieved" from the items in the source material library. (*See, e.g.*, col. 2:32-33; 18:53-56.) But the specification fails to describe any mechanism for accessing the physical items and "retrieving" the information in them.

Nor is there any disclosure of how the collection of physical items are organized and stored, so that the items may be accessed and the information in them retrieved.

- The specification states that it is the “identification encoding means” that retrieves information for the items in the source material library. (Col. 2:30-33.) This is consistent with the fact that “identification encoding process” 112 is the *only* component of Figure 2a that is connected to “source material library” 111. But there is no disclosure of how the source material library – which, after all, is only a collection of physical items such as videotapes – can receive communications from the “identification encoding means” (or “process”), or how it would process those communications. Indeed, there is no disclosure of any mechanism for the source material library to receive any communications at all.
- The specification does not even describe any structure or component that performs the basic function of storing (defined by the Court as “retaining”) the physical items in the source material library. As the Court noted, “[t]he specification is silent as to what component of the ‘transmission system’ is capable of performing the ‘retaining’ step. With respect to storing physical items having information, the only component discussed in the specification is the ‘source material library’ itself. However, the ‘source material library’ is only described as containing a collection of items having information.” (5th CCO at 17 n.17.)[12] The Court essentially invited defendants to make a non-enablement motion on this ground. (*Id.* at 17.)
- The specification states that “source material library 111” may include a plurality of source material libraries which “may communicate using methods and channels similar to the methods and channel types which libraries may employ for communication with the receiving system 200 of the user, or the source material libraries may communicate via any available method.” (Col. 6:29-34). But since the plurality of source material libraries that comprise

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12 Acacia’s expert described some of the many actions associated with “retaining,” none of which a simple “collection of items having information” is capable of performing: “For film and tape, such maintenance often includes retaining the media in an environment having controlled temperature and humidity - sometimes with robotic machinery to load and unload the media for reading when necessary . . .”(5/18/07 Decl. of Merrill Weiss, docket no. 239, at ¶ 19.)

"source material library 111" are only a collection of physical items and nothing else, how can they communicate? And what do they say to one another? The specification does not say.

- The specification repeatedly says that user requests are made to the source material library: "the present invention comprises a receiving system responsive to a *user input identifying a choice of an item stored in a source material library* to be played back to the subscriber . . . ." (Col. 2:62-65); "the first step of the distribution method 400 involves *retrieving the information for [sic from] selected items in the source material library 111, upon a request by a user* of the distribution system . . . ." (Col. 18:53-56); "Lang does not disclose a system . . . wherein a plurality of system *subscribers may access information stored in the film and tape library or libraries, and play back the selected information* . . . ." (Col. 1:51-55).[13] Yet, there is nothing in the specification that describes how user requests are communicated to the source material library, or how the source material library could process those requests. There is no connection shown between the receiving system and the source material library, or between users and the source material library.

Finally, the disclosed functions of the source material library and the applicants' purported ability to incorporate a source material library into their transmission system was relied on during prosecution to distinguish the cited prior art:

> Lang does not disclose a receiving system which is responsive to user requests for items from a source material library. While Lang mentions that video libraries are "envisioned," there is no disclosure of how material would be requested or retrieved from such libraries. . . . Particularly, Lang does not teach that user requests will cause items stored in a source material library to be sent to be sent from a transmitter to a receiving system . . . .

(Benyacar Decl. Ex. D (Pet. to Make Special) at 7.)

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[13] This capability of the source material library to receive and process user requests was referenced and relied on during prosecution as well: "[t]he entire system includes a transmission system and a reception system. The transmission system includes *a source material library from which a user makes a selection. The selected program is processed and compressed for storage in a compressed data library*." (Benyacar Decl. Ex. D (Petition to Make Special) at 2-3.)

*   *   *

> Lang "envisions" a library at some time in the future. . . . Applicants submit that the incorporation of a library into the system in Lang is only envisioned because of a lack of knowledge of how to incorporate such a library. Applicants, however, have solved the problems left open in Lang.

(Benyacar Decl. Ex. E (10/1/91 Amendment) at 19.)

Thus, while the source material library of the claimed transmission system is ascribed with many desirable, sophisticated capabilities, capabilities relied on during prosecution to distinguish prior art (which only "envisions" such capabilities), the mere "collection of items having information" that the source material library is described as being does not have any of these capabilities. For this reason alone, "transmission system" fails to satisfy the written description and enablement requirements of 35 U.S.C. § 112.

**2. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Identification Encoder 112"**

Figure 2a shows that the "transmission system" contains "identification encoding process 112," which is also referred to as an "identification encoder" in the specification. (Col. 6:39, 40, 60; 7:1, 25, 49; 11:10, 66.)[14] As the Court has pointed out, "a person of ordinary skill in the art would understand from the written description and Figure 2a that 'identification encoding process 112' is an essential component of 'transmission system 100.'" (6th CCO at 9.)

"Identification encoder" is a term that was coined by the inventors. (2nd CCO at 15.) According to the specification, it is capable of assigning a "unique identification code," a "popularity code" and "program notes" to information retrieved from the physical items in the source material library. It also selects the address in the compressed data library where the information will be stored after it is compressed, which "is used for requesting and accessing information and items throughout the transmission and receiving system." (Col. 6:35-54; 10:58-65.) Finally, if information is already compressed, the identification encoder sends the information directly to compressed data

[14] The Court has already determined that "block '112' is a diagram of what the patentee meant by 'identification encoder.'"(2nd CCO at 16.)

formatting section 117, bypassing the intermediate components of the transmission system. (Col. 7:44-50; Fig. 2a.)

As the Court has already ruled, however, while the specification lists all of these functions an "identification encoder" is supposed to be capable of performing, it does not describe what an "identification encoder" actually ***is***:

> [T]he references to block 112 in the specification do not assist the Court in defining what an 'identification encoder' is. All that the specification does is to describe what the 'identification encoder' preferably must do. The specification does not disclose a circuit, a computer operating a software algorithm, or other apparatus which performs the functions designated for the 'identification encoder.'

(2nd CCO at 16-17 (emphasis in original).) The Court thus ruled that "identification encoder" is indefinite. (*Id.* at 18.)

The same factors which caused the Court to find "identification encoder" in the claims to be indefinite under § 112, ¶ 2 also render the specification deficient for lack of written description and enablement under § 112, ¶ 1. "Identification encoder" is a term coined by the inventors for a device they wished existed to perform all of the above functions ascribed to it. However, the inventors did not disclose any "circuit, a computer operating a software algorithm, or other apparatus which performs the functions designated for the 'identification encoder.'" (2nd CCO at 17.) *See Univ. of Rochester,* 358 F.3d at 927 (invalidating patent because it "d[id] not disclose any compounds that can be used in the claimed methods . . . [n]or has any evidence been shown that such a compound was known."); *Auto. Techs.*, 501 F.3d at 1284 (invalidating patent because it did not "provide details" of how to construct an electronic side impact detector and none were "in existence.") Accordingly, there is no adequate written description or enabling disclosure of that component of the "transmission system."

### 3. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Converter 113"

Information in the source material library can be stored in any one of a large number of formats. Therefore, the "transmission system" contains "converter 113" that is said to be capable of converting information from any one of those formats "into a predetermined format as formatted data." (Col. 6:55-62.) As shown in Figure 2a, it includes an "analog input receiver 127" and a "digital input receiver 124," so that the converter 113 can handle both the analog and digital information stored in the source material library. (Col. 6:62-66.)[15] Converter 113 also includes "analog-to-digital converter 123," and "formatter 125." (Fig. 2a; col. 6:65-7:18). The "analog-to digital converter 123" is in turn composed of "analog audio converter 123a" and "analog video converter 123b"; and the "formatter 125" is in turn composed of "digital audio formatter 125a" and "digital video formatter 125b." (Col. 7:6-7, 19-20.)

The "converter" suffers from the same infirmities as the "identification encoder." The specification purports to describe what "converter 113" does, but it does not tell us what "converter 113" is or how it performs the functions ascribed to it. For example, there is no disclosure of any circuitry or software for distinguishing between analog and digital input signals and sending them to the correct inputs (124 or 127), or for further distinguishing between audio and video signals and sending them to the correct internal components of converter 113. Even more fundamentally, the specification does not describe how "converter 113" can possibly accomplish its sole purpose: taking data of *any* format and converting it to a "predetermined format." The Court construed "items having information" (and "items containing information") as physical items containing audio information, video information or both. (3rd CCO at 15; 5th CCO at 17.) The number of different formats that may be input to "converter 113" is as numerous as the number of different types of "items having information," and could include VHS tapes, Betamax tapes, CDs, cassette tapes, player piano music rolls, phonograph records, 8-track tapes, reel-to-reel tapes and all of the various digital formats that existed at the time of the patent application. There is no disclosure of any device capable of handling all of these different formats and converting them into a single "predetermined format."[16] Nor is there any disclosure of what this single "predetermined format" is. Converter 113 is simply an unrealized (and likely unrealizable) wish.

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[15] If the source material library contains only analog or only digital information, only one of these input receivers is required. (Col. 6:66-68.) Therefore, the Court held that "converter 113" must contain "an input receiver of at least one type," *i.e.*, "analog input receiver 127" or "digital input receiver 124." (6th CCO at 10.)

#### 4. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Time Encoder 114"

The "transmission system" contains "time encoder 114," depicted as four wall clocks in Figure 2. The time encoder performs two functions: it creates a "sequence of addressable data blocks," (col. 7:59-62; 8:59-62), and "a group of addressable blocks," (col. 7:68-8:1). "Time encoding by time encoder 114 is achieved by assigning relative time markers to the audio and video data as it passes from the converter 113 through the time encoder 114 to the precompression processor 115." (Col. 8:16-19). Once again, the apparatus is described merely by its function. There is no disclosure of any hardware or software that can accomplish this function.

Acacia's expert Mr. Weiss has opined that the "time encoder" is one of the only components of the disclosed transmission system that could have been obtained off-the-shelf. It is, he says, a "time code generator," a machine that associates times (hours, minutes and seconds) with frames of video. (Benyacar Decl. Ex. F (9/2/05 Weiss Dep. Tr.) at 86:1-10.) Even assuming *arguendo* that this is true,[17] there is no disclosure in the specification of how this one known device can be interconnected and integrated with the other unknown and undescribed components of the Figure 2 transmission system such that it can "assign[] relative time markers to the audio and video data as it passes from the converter 113 through the time encoder 114 to the precompression processor 115." For example, according to Mr. Weiss, the placement of the time codes by the time code generator (the manner in which the time code is associated with the video frames) depends on the format of the video information to which the time codes are being applied:

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[16] The "telecine" of col. 7:35-43 is of no help to Acacia. First, the telecine is described as a device that processes a motion picture film *before* its contents are input to "converter 113" and its sub-component "digital input receiver 124." (*See* col. 7:37-40 ("[T]he picture frames in the film are passed through a digital telecine device to the digital input receiver 124. Format conversion is then . . . performed . . . .").) Thus, the telecine is *different* from the unidentified and non-described device that performs the format conversion. Second, a telecine can only operate on a motion picture film - it cannot handle any other data format. Finally, a telecine has no ability to determine what format information is in. Some other, undisclosed component must determine if information is in the format of a motion picture film or is in some other format.

[17] In fact, this time code generator would not work as the "time encoder" of the disclosed transmission system. The time code generator described by Mr. Weiss applies time codes

> Q: And where does this time stamp go?
>
> A: It depends on the form that the content is expressed in. So, for instance, if you're talking about a videotape and you're talking about a particular format in a videotape, then it could go on an audio track as a longitudinal time code, for instance. If you are talking about another form of videotape, it could go in the vertical interval of the video. If you are talking about a digital representation, it could be expressed in one of a couple of different ways as data within the - - within the data that represents the video frame.
>
> So depending on how the video is - - how the video itself is encoded or expressed, the time stamp, if I could call it that, that applies to each frame would be carried in a different way.

(Benyacar Decl. Ex. F (9/2/05 Weiss Dep. Tr.) at 86-87.) Not only does the specification not indicate where the "time code" is applied or how it is associated with the video frames, it does not even disclose what "predetermined format" the data to be time encoded is in such that one could attempt to guess how to apply time codes to it.

In addition, while Mr. Weiss asserts that a "sequence of addressable data blocks" is created by adding time codes, creating a "group of addressable data blocks" (*see* col. 7:68-8:1) is a different function that requires something more:

> Q: Going back to the time marker, how does the time marker transform the blocks or frames into a group?
>
> A: By applying additional data to them as part of the time identification.

---

to physical objects such as videotapes. The time encoder of the patent does not apply time codes to physical objects - it assigns them to raw "data as it passes from the converter 113 through the time encoder 114 to the precompression processor 115." (Col. 8:16-19.)

(Benyacar Decl. Ex. F (9/2/05 Weiss Dep. Tr.) at 110:20-23.) Mr. Weiss conceded that he did not recall the patent disclosing "any specific definition of a group" other than the bald assertion that the time encoder somehow forms such groups. (*Id.* at 111:17-19.) He then "imagine[d]" how such groups could be formed:

> I'm going to imagine a construct to give you an example. I've got an audiovisual work that has three acts to it, and I want to associate some of the frames with act 1, some of the frames with act 2 and some of the frames with act 3. And as part of the time code data I can put in an indicator that says these frames are part of act 1, and another subset of that can be associated with a code that says act 2, and another subset can be associated with an appropriate code that says part of act 3.

(*Id.* at 112:20-113:4.) Mr. Weiss' imagination, however, is not a substitute for a written description. The specification says nothing about how subsets of information are to be grouped or why these groupings are being created. Moreover, the specification says only that the "time encoder" operates "by assigning relative time markers to the audio and video data . . . ." (Col. 8:16-18.) It says nothing about adding information other than time in order to create groups, what kind of additional information is added, or how the time code generator knows what groups to create for each of the different kinds of information that it must be capable of processing.

For all of these reasons, even if the "time encoder" is the "time code generator" described by Mr. Weiss, there is still no enabling or other disclosure of how this time code generator could be used to perform the functions ascribed to it in the specification.

#### 5. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Precompression Processor 115" Or "Compressor 116"

The "transmission system" contains "precompression processor 115," consisting of "audio precompressor 115a" and "video precompressor 115b." (Fig. 2a; col. 8:64-66.) Neither block 115a nor block 115b is sufficiently described or enabled - they are described only by their function. The "audio precompressor 115a" "transcode[s] incoming audio information . . . to create the optimum sample rate and word lengths for compression processing," (col. 9:30-35), and "[b]lock[s] the audio data into frames" (col. 36-37). There is no description of how to implement these functions: no circuitry, no structure, no software. Similarly, the "video precompressor 115b" "buffers incoming video data and converts the aspect ratio and frame rate of the data." (Col. 8:67-9:2.) For example, it "place[s]" a "chosen background . . . around the inactive region of the video information." (Col. 9:12-15.) But there is no description of any hardware or software to accomplish these functions.[18]

The transmission system also contains "compressor 116," the function of which is described only by reference to prior art audio and video compression techniques. (Col. 9:58-10:16.) However, as Acacia's expert Mr. Weiss himself candidly testified, "[t]here were at that time [i.e. the filing date] compression systems *that were not quite at the level that, that you would need for broadcast,*" (Benyacar Decl. Ex. C (9/8/05 Weiss Testimony Tr.) at 52-53), the very function performed by the transmitters 122 of the Figure 2 transmission system.[19] This is confirmed by the April 1992 Sarnoff report, which describes compression as a "key enabling technology" with respect to which the specification "is relatively weak." (Benyacar Decl. Ex. A (4/17/92 Sarnoff Research Rep.) at 4-5.) Indeed, even 16 months after filing of the patent application, and even in view of all the intervening technological advancements, the Sarnoff report still concludes that "[f]or both audio and video, a concrete video-on-demand system architecture *must identify [compression] algorithms and associated bit-rate/performance choices more clearly than has been done here.*" (*Id.* at 5.)[20]

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[18] Moreover, the specification sometimes states that the video data in the "video precompression processor 115b" is placed in buffer ***131***, (col. 9:2-3; 9:22-25), and sometimes states that it is placed in buffer ***130***, (col. 9:4-8; 9:66-10:3.) Thus, the description of "precompression processor 115" is not only insufficient, but also internally inconsistent.

[19] "Broadcasting historically has been - - has involved the transmission of signals using radio waves. . . ." (Benyacar Decl. Ex. F (9/2/05 Weiss Dep. Tr.) at 27:2-3.)

[20] While the April 1992 Sarnoff report references a then-existing video-on-demand prototype (experimental system) that used MPEG compression, Acacia's expert Mr. Weiss has confirmed that MPEG was not available for use in January of 1991, the filing date of the '992 patent. (Benyacar Decl. Ex. F (9/2/05 Weiss Dep. Tr.) at 44:4-10, 45:10-12, 89:11-13, 90:6-11.)

### 6. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Compressed Data Formatting Section 117"

The "transmission system" contains "compressed data formatting section 117." The few references in the specification to block 117 are unclear about what this component is supposed to do, much less set forth in sufficient and enabling detail what this component actually is.

Block 117 is mentioned in the specification, in passing, with regard to time encoding: "Time encoding allows realignment of the audio and video information in the compressed data formatting section 117 after separate audio and video compression processing by precompression processor 115 and compressor 116." (Col. 8:2-6.) Elsewhere, the specification simply states that "the compressed audio and video data is preferably formatted and placed into a single file by the compressed data storage means 117," (col. 10:23-26), or that "the data is processed into a file by the compressed data storage means 117," (col. 10:36-38), or that a "compressed data file [is] formed in the compressed data formatter 117," (col. 12:67-68). The specification does not tell what these "formatting" and "processing" and "forming" functions consist of, much less tell how to carry out such undefined functions. Even if the "formatting" and "processing" and "forming" functions of block 117 that are mentioned in columns 10 and 12 mean nothing more than the "realignment" referred to in column 8 – and it is impossible to tell if that is true or not – nothing in the specification discloses what apparatus and/or software can carry out such a function.

The inadequacy of the specification's description of block 117 is compounded by the unintelligibility of the following passage, which purports to recite how block 117 is used when "incoming materials [are] in a previously compressed form":

> In such a case, retrieved items are passed directly from identification encoder 112 to the compressed data formatter 117. The item database records, such as the program notes which may also be input from another system, to the compressed data formatting section 117, where this data, if necessary, is reformatted to make it compatible with the material stored in compressed data library 118.

(Col. 7:45-46, 48-55.) There are multiple problems with this text:

- The specification does not say how block 117 is able to determine whether the format of received material is compatible or incompatible with the material stored in compressed data library 118, nor does it say how block 117 is able to make it compatible. No circuitry or programming is disclosed.

- The statement "where this data, if necessary, is reformatted to make it compatible . . ." is ambiguous, because it is unclear *which* data is reformatted – the "retrieved items" referred to in the previous sentence, or the "item database records" earlier in the same sentence? If it is the "item database records" that are reformatted, what if anything does block 117 do to the "retrieved items" themselves?
- There is a missing verb: "The item database records . . . [missing verb] to the compressed data formatting section 117 . . . ." It is not clear what function is being performed.

In short, the description of block 117 does not come close to satisfying the written description and enablement mandates of § 112.

#### 7. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Compressed Data Library 118"

The "transmission system" contains "compressed data library 118." The specification describes this structure with sweeping generality: it is preferably "a network of mass storage devices connected together via a high speed network." (Col. 10:39-42.) The specification then sets forth ambitious functions to be performed by this component, but fails to disclose *how* such functions are to be implemented. For example, the specification states:

> Mixed media systems are preferably employed as more cost effective storage in very large compressed data libraries 118. Once assigned, the popularity code may be dynamically updated, by factoring item usage against system usage. Thus, stored items are dynamically moved to the most appropriate media over their life in the compressed data library 118. If a particular item stored in compressed data library 118 is retrieved frequently by users, storage in compressed data library 118 is preferably on higher speed, more reliable, and probably more expensive media. Such media includes Winchester and magneto-optical disks.
>
> If an item stored in compressed data library 118 is retrieved less frequently, it may be stored in the compressed data library 118 on a digital cassette tape. . . . All items stored in the compressed data library 118 are on line and are connected to the high speed network. Thus, they may be readily accessed.

(Col. 12:35-57.) There is no disclosure of any hardware or software to implement "dynamically updat[ing]" the relative popularity of different items and "dynamically mov[ing]" items from one storage media to another. Nor is there any disclosure of hardware and software for storing, controlling, tracking, locating, and retrieving data that is stored in a multiplicity of different storage devices of various types. The specification's statement that "[d]atabase management software controls the location and tracking of the compressed data library 118 which can be located across multiple clusters of file servers connected together by one or more high speed networks over multiple systems" (col. 13:23-28), without ever describing how the software does this, is so general as to be meaningless. It is a far cry from constituting a "written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains . . . to make and use the same . . . ." 35 U.S.C. § 112, ¶ 1.

### 8. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Transmission Format Conversion CPUs 119"

The "transmission system" contains five blocks labeled "119," which are variously called "transmission format conversion CPU[s]" (Fig. 2b), "transmission format means" (col. 13:41), "transmission data converter" (col. 15:55-56), and "transmission format converter" (col. 16:1-2). Regardless of what they are called, the specification fails to sufficiently describe what these components are or how they do what they are described as being capable of doing.

The specification states that "transmission format means 119" (a) "receives the [user transmission] request"; (b) "retrieves the composite formatted data block of the requested item stored in compressed data library 118"; and (c) "converts the compressed formatted data block into a format suitable for transmission." (Col. 13:40-45.) The specification does not, however, disclose any structure, circuitry or software that is capable of "receiving" a request, "retrieving" data from the compressed data library in response to the request, and "converting" the data's format. Nor does it disclose (i) what format is suitable for transmission and what format is not; (ii) what formatting is done by transmission format conversion CPU 119 as distinguished from the formatting done by transmitters 122, which also perform some kind of formatting for transmission, (*see* col. 17:15-18);[21] or (iii) why or how the third "transmission format conversion CPU" 119 down in Fig. 2b is capable of formatting for both Satellite and Cable TV, since these are two very different transmission mediums, or how it knows which medium to format the information for (*i.e.*, which medium the information is to be transmitted over.)

The specification similarly states that "transmission data converter 119 encodes the data for the transmission channel" and "transfers the desired segments of data from the compressed data library 118 onto the communication channel which is used to deliver the data to the reception system 200." (Col 15:55-60.) Once again, there is no disclosure of what "encoding" is supposed to be done, how "encoding" is supposed to be implemented, or what equipment can do it.

### 9. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure of "Library System Control Computer 1123"

The "transmission system" contains "library system control computer 1123." According to the specification, this component performs several functions.

**First**, it contains a "distribution manager program," (col. 12:23-24), that receives "request[s] for transmission of a particular item or items" which contain "the address of the user, the address of the item, and optionally includes specific frame numbers, and a desired viewing time of the item," (col. 12:21-27). Although the specification does not say what the "distribution manager program" actually does with the "address of the user" and the "desired viewing time," it presumably carries out the transmission request by directing transmission to the location selected by the user in such a way that it will be played back at the time selected by the user. This capability of the transmission system to satisfy user requests that designate *where* the information should be sent and *when* the information should be played back was repeatedly relied on by the Yurt applicants in the specification and during prosecution to distinguish prior art. (*See* col. 1:23-29; 32-36; 42-44; 51-56; Benyacar Decl. Ex. D (Pet. to Make Special) at 7-10.) Yet, the specification says nothing about how the library system control computer 1123 or any other component of the transmission system satisfies such requests. In this regard, the specification contains nothing more than an identification of the problem that prior art systems do not permit users to specify the time and place for playback and a desire that someone design something called a "library system control computer" to help solve this problem. *See Auto. Techs.*, 501 F. 3d at 1284 (claims covering electronic sensors not "in existence" and not described in the specification beyond a few black boxes held invalid for lack of enablement.)

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[21] Because the specification does not describe what type of formatting transmitters 122 perform or how a "transmitter" can perform such formatting, these transmitters also fail to satisfy the written description and enablement requirements.

**Second**, the library system control computer 1123 contains a "queue manager program." (Col. 15:38-46.) According to the specification, the queue manager program "controls the distribution of the requested items to the reception system 200 of the user" and "keeps track of the user ID, the chosen program and the price, the user channel type, the number of requests for a given program, the latest delivery time, and compressed data library media type . . . . From this information, the queue manager program makes best use of the available distribution channels and media for efficient transmission and storage of the requested items." (Col. 15:35-41.) There is no disclosure of any software (or even of any algorithm or flowchart) to do any of this.[22]

**Third**, the queue manager program running on library system control computer 1123 "also manages the file transmission process for multiple requests for a single file, stored in the compressed data library 118. During a given time period, the queue manager program will optimize access to the compressed data library 118, wherever possible it will place the data on multiple outputs for simultaneous transmission to more than one requesting user." (Col. 15:47-54.) But how does it do this? The specification does not say.

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[22] The specification speaks only generally of computers communicating with one another, but does not explain how these communications are implemented, how the communicated instructions are generated to be sent or how they are followed when received. For example, the specification states that "the computer controlling the transmission queue tells the transmission encoding computer its task and then the task is executed by the transmission encoding computer, independent of the transmission queue computer. The transmission queue computer provides the data for transmission by the file server which also distributes to other transmitters located in the same or other transmission encoding computers." (Col. 16:21-28.)

**Fourth**, it holds an "item database master" that is "kept current to the contents of the compressed data library 118 " whereby "data stored in the item database master may be accessed by users via application programs, running on the system control computer 1123, and on the reception system 200 of the user." (Col. 11:54-60.) The content of these "application programs" is not described. Nor is there any explanation of how the "application programs" running on system control computer 1123 interact with the "application programs" running on reception system 200.

**Fifth**, titles listed in a "title window" in "library access interface 121 in the reception system 200," (col. 17:44-46), "are sent from the database on the library system control computer 1123 . . . ." (Col 17:51-52.) The specification does not tell what mechanism or software is used to send the titles; it does not tell when the titles are sent; and it does not tell what causes the titles to be sent.

Finally, in "one way communication situations, the queue manager program running in library system control computer 1123 confirms reception, via telephone line connection for example, to the reception system 200 after distribution." (Col. 17:19-23). There is no disclosure of how this is accomplished.

### 10. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Library Access Interface 121"

According to Figure 2b, the "transmission system" contains "library access interface 121." This component, according to the specification, "receives transmission requests" (col. 13:37-40) and apparently functions as some kind of intermediary in responding to such requests. (*See* col. 13:45-47 (items "sent to the user . . . *via interface 121*") (emphasis added); col. 13:48-51 ("customer access of an item stored in compressed data library 118 *via the library access interface 121* may be performed in various ways") (emphasis added); col. 15:23-27 ("the remote order processing and item database 300 preferably connects to the compressed data library 118 of choice via the library access interface 121") (emphasis added).) But the specification does not say what kind of apparatus serves as this "interface" or what it actually does.

Further, as the Court observed, (*see* 3rd CCO at 33:19-34:5), the specification is unclear even as to whether block 121 is in the transmission system or in the receiving system. Although Figure 2b shows block 121 in the transmission system, the text of the specification states that the "library access interface 121 [is] in the reception system 200." (Col. 17:44-45.) The written description of block 121, and of the "transmission system" as a whole, falls far short of the statutory requirement that the specification contain a "written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains . . . to make and use the same . . . ." 35 U.S.C. § 112, ¶ 1.

**E. Conclusion**

Each of the asserted claims is limited to a "transmission system," a term the Court has construed to mean a system having all of the interconnected components discussed in Point I.D. above. (6th CCO at 11.) Therefore, if the Court finds that *even one* of these components is not adequately described/enabled, *all* of the asserted claims are invalid for failure to satisfy § 112. As discussed in Point I.C. above, extrinsic evidence with respect to the ability of one skilled in the art to use the specification to make a "transmission system" is irrelevant to the analysis. With respect to the written description requirement, "[i]t is not a question whether one skilled in the art might be able to construct the patentee's device from the teachings of the disclosure of the application. Rather, it is a question whether the application necessarily discloses that particular device." *Univ. of Rochester*, 358 F.3d at 923. Because the "transmission system" is the invention itself, the same is true for the enablement requirement. *Auto. Techs.*, 501 F.3d at 1283.

For the reasons discussed in Point I.D., *none* of the components of the disclosed "transmission system" satisfies the written description or enablement requirements. The Court should therefore find that all of the asserted claims are invalid for failure to satisfy the written description and enablement requirements of 35 U.S.C. § 112.

## POINT II

## THE SPECIFICATION FAILS TO ADEQUATELY DESCRIBE AND ENABLE THE "RECEPTION SYSTEM" (OR SYNONYMOUS STRUCTURE) OF '702 CLAIMS 1-42 AND '863 CLAIMS 17-19

### A. The Specification's Description of the "Receiving System" Is No Better Than Its Description of the "Transmission System"

Claims 1-42 of the '702 patent require a "reception system," and claims 17-19 of the '863 patent require a "local distribution system."[23] The Court has held that the terms "receiving system," "reception system," and "local distribution system" refer to the same structure (3rd CCO at 10; 4th CCO at 8), namely "the configurable, interconnected, assemblage of components labeled and described in the specification as 'receiving system 200,' a detailed block diagram of which is shown on Figure 6" (6th CCO at 11).

The specification's description of "receiving system 200" is no more adequate than its description of "transmission system 100." The specification merely sets forth interconnected blocks with functional descriptors; there is no disclosure of structures, programs or algorithms necessary to actually implement the claimed system.

### B. Numerous Components and Features of the Claimed "Receiving System" Are Not Sufficiently Described or Enabled

#### 1. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Receiver Format Converter 202"

The "receiving system" contains "receiver format converter 202." The only thing that the specification tells us about this component is that it "converts the compressed formatted data blocks into a format suitable for playback by the user in real time." (Col. 18:9-13.) The specification does not describe what apparatus performs this function. Nor does it describe what makes a format "suitable for playback," or how to implement such a format conversion.

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[23] None of the remaining asserted claims of the '992 patent require a "receiving system" or synonymous structure.

### 2. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Storage 203"

The "receiving system" contains "storage 203." (Fig. 6; col. 18:19.) The specification states that "[s]torage 203 allows for temporary storage of the requested item until playback is requested." (Col. 18:19-21.) "When playback is requested, the compressed formatted data blocks are sent ot [sic] data formatter 204." (Col. 18:22-23.)

In its Third Claim Construction Order, the Court explained that the user specifies the playback time as part of the initial request. If the designated playback time is later in time than when the request for transmission is made, the material is stored automatically in "storage 203," and when the playback time arrives, the system automatically outputs the material in real time. (3rd CCO at 23.)

Thus, to perform the described functions, "storage 203" cannot simply be a storage device such as a disk drive. The component must also be capable of (a) checking whether the time designated for playback is later than the time of transmission, (b) routing the data for temporary storage if the playback time is delayed, and (c) automatically forwarding the data when the time for playback arrives. Yet there is no description in the specification of any apparatus or any software to perform these functions.[24]

### 3. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Data Formatter 204"

The "receiving system" contains "data formatter 204." The specification provides almost no information about this component: apart from Figure 6 itself, the specification's only reference to it is the statement that "[d]ata formatter 204 processes the compressed formatted data blocks and distinguishes audio information from video information." (Col. 18:23-26.) What kind of apparatus performs this function, how the audio information is distinguished from video information and exactly what type of additional "processing" is performed are all left to the imagination.

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[24] Nor is there any description of any other component of the receiving system that is responsible for retrieving information from storage 203, or how such retrieval is effectuated. As shown in Figure 6, the only input to storage device 203 is for storage of information from the receiver format converter 202. Storage 203 does not have any other inputs for retrieval requests.

**4. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Decompression" Block 205**

The "receiving system" contains "decompression" block 205, which consists of "audio decompressor 209" and "video decompressor 208." (Fig. 6; col. 18:27-29.) Other than telling us that the function of block 205 is the decompression of audio and video data, the specification tells us nothing else about this component. Since the "compression" performed by the transmission system is inadequately described for the reasons described in Point I.D.5 above, the statement that box 205 reverses the inadequately described compression process is also an inadequate description.

**5. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "Converter 206"**

The "receiving system" contains "converter 206," which consists of "digital video output converter 211," "digital audio output converter 212," "analog video output converter 213," and "analog audio output converter 214." (Fig. 6; Col. 18:29-34.) Aside from providing names for these "converters," the specification provides no information about what these components are.

Certain functions do seem to be ascribed to these converters, however. For example, the converters appear to have some way to determine whether information is "copy protected" and, if so, to scramble it. (Col. 17:28-34.) They are also the components of the receiving system most closely related to implementing the fast forward, rewind and other VCR like functions the reception system is said to be capable of providing, (*see* Col. 18:36-45; 17:35-43), functions that were used to distinguish the prior art, (*see* Col. 1:36-38; 45-47.) There is no description in the specification, however, of how these undescribed converter structures (or any other component of the reception system) provide such features.

**6. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of "User/Computer Interface 207"**

In the "receiving system" of Figure 6, block "207," labeled "user/computer interface," is shown to be in communication with a "viewer control interface." However, neither block "207," nor a "user/computer interface," nor a "viewer control interface," are otherwise mentioned in the specification at all. What is more, block 207 is not depicted in Figure 6 as being connected to any other component of the receiving system. Thus, the specification provides no information about the nature and function of block 207.[25]

#### 7. The Specification Does Not Contain an Adequate Written Description or Enabling Disclosure Of the Reception Confirmation Function

According to the specification, "the reception system 200 confirms reception of the initial data block before receiving the remaining data blocks whenever possible." (Col. 17:1-4.) But the specification does not disclose *any* component that performs this function, much less describe how such a function is carried out.

### C. Conclusion

The Court construed both the "reception system" limitation of '702 claims 1-42 and the "local distribution system" limitation of '863 claims 17-19 to mean "receiving system 200" depicted in Figure 6. (3rd CCO at 10; 4th CCO at 8; 6th CCO at 11.) Therefore, if the Court finds that even one of the components of receiving system 200 is not adequately described /enabled, all of these claims are invalid for failure to satisfy the written description/enablement requirements.

For the reasons discussed in Point II.B., virtually *none* of the components depicted in Figure 6 are adequately described or enabled. The Court should therefore find '702 claims 1-42 and '863 claims 17-19 to be invalid for failure to comply with 35 U.S.C. § 112.

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[25] The specification mentions a "user terminal interface," (col. 14:64-15:6), but never associates it with block 207 of Figure 6. Even if one were to assume that the "user terminal interface" is the same as the "user/computer interface," the specification provides no detail as to what this component consists of or how to implement it in practice. Indeed, the specification itself states that the "user terminal interface" comprises "specialized interfaces built into the reception system 200," (col. 14:66-67) – *i.e.*, it is *not* an off-the-shelf component. Yet the specification tells us nothing about how to make and use these "specialized" interfaces or what they are.

## POINT III

## EACH ASSERTED CLAIM OF '992 AND '863 PATENTS IS INVALID FOR CLAIMING MORE BROADLY THAN THE SPECIFICATION DISCLOSES

### A. Patent Claims That Are Broader In Scope Than the Invention Disclosed In the Specification Are Invalid For Lack of Written Description and Enablement

It is a fundamental principle of patent law that the scope of a claim may not exceed the scope of the written description. If a claim is so broad that it covers embodiments that are not described, or are inadequately described, the claim is invalid for lack of enablement, lack of written description, or both. "Whether the flaw in the specification is regarded as a failure to demonstrate that the patentee possessed the full scope of the invention recited in [the claim] or a failure to enable the full breadth of that claim, the specification provides inadequate support for the claim under section 112, paragraph 1." *LizardTech*, 424 F.3d at 1345. As the Federal Circuit explained,

> The full scope of the claimed invention must be enabled. . . . The rationale for this statutory requirement is straightforward. Enabling the full scope of each claim is "part of the *quid pro quo* of the patent bargain." . . . A patentee who chooses broad claim language must make sure the broad claims are fully enabled. "The scope of the claims must be less than or equal to the scope of the enablement" to "ensure[] that the public knowledge is enriched by the patent specification to a degree at least commensurate with the scope of the claims."

*Sitrick*, 516 F.3d at 999 (citations omitted).

This principle has been applied time and again:

In *Sitrick*, for example, the claims at issue broadly encompassed integrating user visual images into "presentations" (construed as covering both video games and movies). The Court concluded that even if the specification adequately enabled the claims for video games, it was insufficient to enable the claims for movies. Accordingly, the Court affirmed summary judgment of invalidity. *Id.* at 999-1001.

In *Auto. Techs.*, 501 F.3d 1274, the claims covered both mechanical and electronic side impact sensors, whereas the specification only enabled mechanical sensors. The Court affirmed summary judgment of invalidity for lack of enablement, explaining that "in order to fulfill the enablement requirement, the specification must enable the full scope of the claims that includes both electronic and mechanical side impact sensors, which the specification fails to do." *Id.* at 1285.

In *LizardTech*, 424 F.3d 1336, the patent claim was directed to a method of creating a seamless discrete wavelet transform ("DWT") for compressing digital data. The specification provided only a single way of creating a seamless DWT, which was to maintain updated sums of DWT coefficients. Because the claim was broader than the only method described and enabled in the specification, the Court affirmed summary judgment of invalidity for lack of written description and enablement. *Id.* at 1344-47.

In *Liebel-Flarsheim*, 481 F.3d 1371, claims to fluid injectors were not limited to fluid injectors with pressure jackets. The specification, however, only disclosed fluid injectors that had pressure jackets. The Court affirmed summary judgment of invalidity for lack of enablement. *Id.* at 1378-80.

In *Tronzo v. Biomet, Inc.*, 156 F.3d 1154 (Fed. Cir. 1998), the claims did not specify the shape of the claimed artificial hip socket implants, whereas the specification disclosed only *conical* implants. The Court held that the specification failed to provide adequate written description for the claims. *Id.* at 1158-60. *See also PIN/NIP, Inc. v. Platte Chem. Co.,* 304 F.3d 1235, 1238-1239, 1247 (Fed. Cir. 2002) (invalidating claim to "method of inhibiting sprout formation on tubers during storage" by applying two compounds to the tubers without requiring they be applied together because "nothing in the specification indicates that the invention is anything other than a mixture of two chemicals"); *In re Wilder*, 736 F.2d 1516, 1517-1518, 1520 (Fed. Cir. 1984) (affirming rejection of claims "directed to the genus of indicating mechanisms that visually identify positions on a recording medium when the recording medium is scanned" because the patentee admitted "that the synchronous scanning equipment is the only embodiment of the invention disclosed in the original patent").

The Yurt patents repeatedly violate the precept that claims may not exceed the scope of what the specification describes. Indeed, as set forth below, *all* of the asserted claims of the '992 and '863 patents are invalid for claiming more broadly than the specification discloses.

**B. Each Asserted Claim of the '992 and '863 Patents Is Invalid for Exceeding the Scope of the Specification, Because the Specification Does Not Disclose the Addressing Of Data Blocks Other than Addressing Based on Time**

Each asserted claim of the '992 and '863 patents recites, as a claim element, a "sequence of addressable data blocks." The Court has repeatedly ruled that this claim element is not limited to addressing based on time. Thus, in the Third Claim Construction Order, the Court held that "the phrase 'ordering into . . . a sequence of addressable data blocks' is a very broad limitation which could include time encoding, as well as other ways of generating addressable data blocks." (3rd CCO at 27.) The Court reconfirmed its claim construction in the Fifth Claim Construction Order. (5th CCO at 14.)

The specification, however, only describes addressing based on time. There is no support in the specification for the "very broad limitation" which allows the addressing of data blocks to be based on something other than time.

Acacia has acknowledged that the specification does not disclose any addressing scheme that is not based on time. As Acacia stated in its May 18, 2007 brief, in a section entitled "There Are No Methods Unrelated To Time Disclosed Or Suggested In The Patent Specification For Achieving Addressability":

> The patent specification does not disclose any method other than time encoding . . . for achieving addressability. Indeed, Mr. S. Merrill Weiss, Acacia's technical expert, testified at the September 8, 2005 Markman Hearing regarding the "sequence encoder," that time encoding is the only scheme for addressing data blocks that is disclosed in the specification:
>
> Q: Are there any other addressing schemes other than time encoding disclosed in the patent specification for addressing data blocks?
>
> A: No.
>
> (Weiss, Sept. 8, 2005, at 168:4-7; Exhibit 2 to Block Decl.).
>
> Not only are there no addressing schemes, other than time encoding, described in the patent, the only structure disclosed in the specification for placing the data blocks into a sequence of addressable data blocks is a time encoder . . . . In fact, the only addressing scheme or structure for placing data into a "sequence of addressable data

> blocks" that is illustrated in the patent specification is the "time encoding," which is depicted in Figure 2a by clocks.

(5/18/07 Acacia Br., docket no. 237, at 16.)

At oral argument, Acacia's counsel similarly emphasized the fact that the specification only discloses time encoding:

> Mr. Block: [T]ime encoding is the only addressing scheme for addressing data blocks in the specification.

(Benyacar Decl. Ex. J (8/17/07 Hr'g Tr.) at 125:14-15.)

* * *

> Mr. Block: Now, the Court may recall we had Mr. Weiss here to testify a few Markman hearings ago and, and he was asked whether there were any addressing schemes other than time encoding disclosed in the patent specification and he said that there weren't. *Indeed this fact is not disputed*.

(*Id.* at 127:3-9 (emphasis added).)

* * *

> The Court: You say that the expert here tells me that, that that's the only embodiment.
>
> Mr. Block: That's what he said.
>
> The Court: But that's not what the patentee said. The inventor said the preferred addressing scheme is time encoding, and so it seems to me that, that that must mean that there are other schemes but that this is the preferred among them.
>
> Mr. Block: No, that doesn't necessarily mean that. Preferred -- well, first of all, he doesn't give any -- even though he uses the word "preferred," *he discloses no other addressing*.
>
> The Court: I agree with that.
>
> Mr. Block: *It's not there*.

(*Id.* at 129:16 - 130:5 (emphasis added).)

* * *

> Mr. Block: Okay. Nothing is disclosed that is not time. Only time is disclosed.

(*Id.* at 165:20-21.)

In sum, the asserted claims of the '992 and '863 patents broadly cover addressing of data blocks and are *not* limited to addressing based on time, while the specification's disclosure *is* limited to addressing based on time. Because the claims exceed the scope of the disclosure, they are invalid under 35 U.S.C. § 112, ¶ 1 for lack of enablement and written description.

### C. '992 Claims 41 and 45 and '863 Claims 17-19 Are Invalid for Exceeding the Scope of the Specification, Because the Specification Does Not Disclose Sending Information Other Than in Response to User Requests

Claims 41 and 45 of the '992 patent and claims 17-19 of the '863 patent claim methods of sending information from a transmission system that are not limited to sending the information in response to user requests for the information. For example, Acacia is reading these claims on transmissions of broadcast network television, such as NBC, that do not involve user requests at all.[26] But as the Court found, "[e]very part of the specification clearly states an intent by the inventors that the 'transmission system' and the 'receiving system' process, store, send and receive the information specifically in response to 'users.'" (6th CCO at 4 n. 5.) Every disclosed example of sending information from the transmission system is initiated by a user request, the specification never says that a transmission system could or would ever send information other than in response to a user request, and there is otherwise nothing in the specification to suggest that the purported invention covers sending information that is not in response to a user request. As the inventors themselves characterized their invention in the opening paragraph of their specification, "[t]he present invention relates generally to an audio and video transmission and receiving system, and more specifically to such a system *in which the user controls* the access and the playback operations of selected material." (Col. 1:6-10 (emphasis added).)

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[26] In its infringement contentions, Acacia asserts that '992 claims 41-45 are infringed when a cable operator receives the NBC broadcast signal and sends it to cable subscribers. (Benyacar Decl. Ex. G (2/27/06 Plaintiff Acacia Media Technologies Corporation's Disclosure of Asserted Claims and Preliminary Infringement Contentions to Time Warner Cable, Inc.) at 3, 7.)

The patent specification repeatedly emphasizes that the invention relates to satisfying user requests. Thus, for example, the specification states (emphasis added):

- "It is therefore an object of the present invention *to provide a user with the capability of accessing audio/video material* . . . ." (Col. 1:57-59.)
- "It is a further object of the present invention to provide a picture and sound transmission system *which allows the user to remotely select* audio/video material from any location that has either telephone service or a computer." (Col. 1:62-66.)
- "A still further object of the present invention is to provide a picture and sound transmission system wherein *the selected audio/video material* is sent . . . to any location *chosen by the user* . . . ." (Col. 1:67-2:4.)
- "Another object of the present invention is to provide a picture and sound transmission system *wherein the user may play back the selected audio/video material* at any time *selected by the user* . . . ." (Col. 2:5-8.)
- "Another object of the present invention is to provide a picture and sound transmission system wherein the information *requested by the user* may be sent . . . ." (Col. 2:11-13.)
- "[T]he present invention comprises a receiving system responsive to a *user input identifying a choice of an item stored in a source material library* to be played back to the subscriber at a location remote from the source material library . . . ." (Col. 2:62-68.)
- "[T]he first step of the distribution method 400 involves retrieving the information for selected items in the source material library 111, *upon a request by a user of the distribution system* (step 412)." (Col. 18:53-56.)

Indeed, *every* prior art reference disclosed in the specification was distinguished based on the purported invention's user request capabilities, (*see* col. 1),[27] and the specification is replete with references to the "requested" information. (Col. 2:13; 4:45, 56, 65; 5:1, 2, 6, 7, 14, 27, 29, 35; 10:65; 12:8, 31-32; 13:43, 45; 15:46; 18:15, 20, 44; 19:34.) For all of these reasons, both the inventors' experts and Acacia's expert agree that user requests are fundamental to the invention as disclosed in the specification. The Sarnoff report commissioned by the named inventors consistently refers to the "patent document" as describing a "video-on-demand" system, (Benyacar Decl. Ex. A

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[27] The Yurt applicants also relied on this capability during patent prosecution to distinguish prior art. For example, they distinguished their invention from a prior art Lang patent on the grounds that "Lang does not teach that user requests will cause items stored in a source material library to be sent from a transmitter to a receiving system . . . ." (Benyacar Decl. Ex. D (Pet. to Make Special) at 7; *see also* col. 1:48-56.)

(4/17/92 Sarnoff Research Rep.) at 2), and Acacia's expert Mr. Weiss testified to this Court that the specification "describes a system [for] distribution to receiving locations *at the request of end users . . ., often called video on demand*," and that the specification is "fundamentally . . . about" "video on demand." (Benyacar Decl. Ex. C (9/8/05 Weiss Testimony Tr.) at 19:5-12; 27:12-19.) The Court's conclusion that "[e]very part of the specification states an intent by the inventors that the 'transmission system' and the 'receiving system' process, store, send and receive the information specifically in response to 'users'," (6th CCO at 4 n. 5), is thus plainly correct.

In short, the purported invention disclosed in the specification is limited to sending information from the transmission system only in response to user requests for the information. The specification does not disclose a transmission system that decides on its own what to transmit, or that receives instructions to transmit based on something other than a user request. Because claims 41 and 45 of the '992 patent and claims 17-19 of the '863 patent are not limited to sending information from the transmission system only in response to user requests, they are invalid under 35 U.S.C. § 112, ¶ 1.

Moreover, the claims are invalid not only under paragraph 1 of section 112, but under paragraph 2 as well. Section 112, ¶ 2 requires claims to set forth "the subject matter which the applicant regards as his invention." Where, as here, "it would be apparent to one of skill in the art, based on the specification, that the invention set forth in a claim is not what the patentee regarded as his invention, [the court] must hold that claim invalid under § 112, paragraph 2." *Allen Eng'g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1349 (Fed. Cir. 2002) (finding a violation of § 112, ¶ 2 as a matter of law where it was "apparent from a simple comparison of the claims with the specification" that the claim did not represent what the inventor regarded as his invention).

**D. Claims 41 and 45-46 of the '992 Patent Are Invalid for Exceeding the Scope of the Specification, Because the Specification Does Not Disclose A Transmission System That Transmits Information to "Remote Locations" That Do Not Have a Receiving System**

Claims 41 and 45-46 of the '992 patent claim methods of "transmitting information to remote locations," including the step, "performed by a transmission system," of "sending at least a portion of the file to one of the remote locations." The Court has defined "remote locations" as meaning "positions or sites distant in space from the transmission system." (3rd CCO at 12.)

Based on this construction, claims 41 and 45-46 (unlike all other asserted claims of the Yurt patents) are not limited to transmissions from a transmission system to a receiving system. Rather, in claims 41 and 45-46, the transmission system sends information to a "remote location," regardless of whether a "receiving system" is located at that "remote location." However, there is no support in the specification for a transmission system sending information to a location that does not have a receiving system. To the contrary: (i) the specification says that "all" transmissions from the transmission system are to reception systems, (col. 15:33-37);[28] (ii) the broadest, introductory description of the invention says that it "relates generally to an audio and video transmission *and receiving system*," (col. 1:6-7 (emphasis added)), which is also the title of all of the asserted patents; (iii) every disclosed configuration, shown in Figures 1a, 1b, 1c, 1d, 1e, 1f and 1g, is depicted as being for sending information from a transmission system to a reception system; (iv) Figure 2b, which depicts the transmission system, only provides for transceivers and transmitters that transmit "to customer's receiving system"; and (v) every disclosed method is for sending information from a transmission system to a reception system (the method of Figure 3 is for sending information to reception systems, (*see* col. 4:1-13; 14:3-5), as are the methods depicted in Figures 5 and 7, (*see* col. 16:56-58; 19:24-27.)[29]

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[28] The specification provides: "*All* transmission requests from the access methods are placed into a transmission queue managed by the library system control computer 1123. This queue is managed by a program that controls the distribution of the requested items *to the reception system 200* of the user." (*Id.* (emphasis added).

Since claims 41 and 45-46 are broader than the disclosure of the specification, the claims are invalid under 35 U.S.C. § 112, ¶ 1.[30] In addition, since it is "apparent . . . that the invention set forth in a claim [here, transmission to a remote location that does not have a receiving system] is not what the patentee regarded as his invention, [the court] must hold that claim invalid under § 112, paragraph 2" as well. *Allen Eng'g*, 299 F.3d at 1349.

### E. Claims 17-19 of the '863 Patent Are Invalid for Exceeding The Scope of the Specification, Because the Specification Does Not Disclose a Distribution Method in Which Compressed Data Is Not Stored in the Transmission System

Claims 17-19 of the '863 patent claim a method of distributing audio/video information. According to the steps of these claims, after "formatted and sequenced data blocks" are "compressed," the compressed data is transmitted from a "central processing location" (*i.e.*, a "transmission system" (4th CCO at 6)) and received at a "local distribution system" (*i.e.*, a "reception system" (4th CCO at 8)). Notably absent from this method, however, is any mention of storing compressed data in the transmission system before it is sent to the reception system.[31] Thus, claims 17-19 are not limited to distribution methods that involve storing compressed data in the transmission system; they broadly cover methods in which data is compressed and immediately transmitted by the transmission system *without* storing the data in the compressed data library of the transmission system. Such a method, however, is nowhere disclosed in the specification. To the contrary, as the Court pointed out, (*see* 6th CCO at 8), the specification states that "[p]rior to being made accessible to a user of the transmission and receiving system of the present invention, the item *must be stored in at least one compressed data library 118* . . . ." (Col. 6:35-38 (emphasis added).) Based on this disclosure, the Court held that a compressed data library in the transmission system is an "essential" aspect of the invention. (6th CCO at 8.)

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[29] Thus, even though Figure 7 depicts sending information to and receiving information at a "remote location," the specification is clear that there is a receiving system at that remote location. (Col. 19:24-27, 34-36.)

[30] Because claim 41 does not require a user request, the claim 41 step of "sending . . . to one of the remote locations" would lack written description even if it had be written to require sending to one "receiving system" rather than to one "remote location." The specification discloses only sending to the receiving system selected by the user. Without a user request, there is no way to know which "one" receiving system to send the information to.

[31] By way of contrast, '863 claim 14 does require "storing, as a file, the compressed, formatted, and sequenced data blocks with the assigned unique identification code."

Because claims 17-19 of the '863 patent are not limited to distribution methods that involve storage of compressed data in the transmission system, they exceed the scope of the specification and are therefore invalid under 35 U.S.C. § 112.

**F. Claim 46 of the '992 Patent Is Invalid for Exceeding the Scope of the Specification, Because the Specification Does Not Disclose a User Request For Information That Does Not Includea User-Inputted Selection Of the Reception System To Which the Information Is To Be Sent**

As described in Point III.C. above, the inventors repeatedly distinguished their purported invention from the prior art based on the user-request capabilities of the disclosed transmission system and reception system. Specifically, while prior art systems permitted and could comply with user requests for information, they did not permit the user to input the location to which the information was to be sent and the time the user wanted the information to be played back. (Col. 1:26-29, 51-56.) In the inventors' system, however:

> [T]he user preferably selects the reception system 200 to which the requested material is sent, and optionally selects the time playback of the requested material as desired. Accordingly, the user may remotely access the transmission system 100 from a location differenct than the location of reception system 200 where the material will be sent and/or played back. Thus, for example, a user may preferably call transmission system 100 from work and have a movie sent to their house to be played back after dinner or at any later time of their choosing.

(Col. 5:10-21.)

While user input of a time for viewing is described as "optional," input of the reception system 200 to which the information is to be sent is not optional. Every disclosed embodiment requires that the user specify, in his request to the transmission system, the reception system to which the requested information is to be sent. In step 415 of the method depicted in Figure 7, for example, "[u]pon receiving a transmission request, from transmission system 100, the compressed formatted data is preferably converted for output to a reception system 200, selected by the user." (Col. 19:21-24.)

'992 claim 46 calls for a method that "retriev[es] stored formatted data blocks corresponding to requests from users." However, the claim does not require that these requests include user-input identification of the "reception system" to which the information is to be sent. In fact, claim 46 does not require a user to specify where the information is to be sent at all (nor, as explained in Point III.D. above, does it even require that the information be sent to a "reception system"). Claim 46 therefore exceeds the scope of the specification and is invalid under 35 U.S.C. § 112.

## POINT IV

## EACH ASSERTED CLAIM OF THE '992 AND '863 PATENTS IS INVALID FOR CLAIMING METHOD STEPS THAT ARE NOT DESCRIBED, OR ARE INADEQUATELY DESCRIBED, IN THE SPECIFICATION

### A. Claims 17-19 of the '863 Patent Are Invalid Because the Specification Does Not Describe and Enable "Inputting an Item Having Information Into the Transmission System"

Claims 17-19 of the '863 patent specify the step of "inputting an item having information into the transmission system." The Court has construed this phrase to mean "putting physical items containing audio information or video information or both into the transmission system." ($4^{th}$ CCO at 12.) Moreover, the step of "inputting an item having information into the transmission system" must be performed by the transmission system. (Benyacar Decl. Ex. H (7/21/06 Parties' Stipulated Definitions for Claim Terms from the '863 and '720 Patents), docket no. 187, at ¶ 5.)

However, nothing in the specification discloses putting physical items having information *into* the transmission system. Nor does the specification describe any component of the transmission system capable of performing the act of inputting a physical item into the transmission system.

The only component of the transmission system that holds physical items is the source material library. The specification does not, however, even mention, much less describe, the step of placing physical items into the source material library; nor does it describe any structure to carry out the step of inputting. The Court elaborated on this deficiency in the 4th CCO as follows:

> With respect to structural apparatus, although the written description discloses a "source material library" which stores physical items containing audio/video information, the written description is devoid of any discussion of an apparatus or process for "inputting" those items into the source material library. The written description contains neither a discussion of the source material library performing the function of inputting physical items nor is there any discussion of an apparatus linked to the source material library which inputs items into it. . . . .
>
> The absence of any discussion in the written description of a structure to input items into the source material library is consistent with the drawings. The drawings depict multiple structures for processing audio/video information. However, there is no drawing of a structure which inputs physical media into the source material library.

(4th CCO at 23.) Nor does the specification describe inputting physical items into the transmission system by inputting them into any other component of the transmission system. As the Court said, "the specification does not contain any description of how the transmission system places items into the system." (5th CCO at 16.).

Acacia agrees with the Court's conclusion that the '863 claim 17 step of "inputting . . . " lacks written description. In fact, *Acacia itself urged this finding on the Court* in order to convince the Court to reconsider its construction of the first "storing" step of '992 claim 41. Although the Court had originally construed both "storing" in '992 claim 41 and "inputting" in '863 claim 17 to mean "placing" or "putting," Acacia argued the two terms should not be construed in the same way. "[I]nputting," Acacia said, "means 'putting in;' it has no other meaning." (5/18/07 Acacia Br., docket no. 237, at 23.) In contradistinction, "storing" in '992 claim 41 can meaning either "putting in" or "retaining." (*Id.*) "Putting in," however, is not supported by the specification. (*Id.* at 22-23.) Therefore, unlike "inputting," which has only one (unsupported) meaning, Acacia urged the Court to construe "storing" consistent with its other plain meaning, "retaining," which Acacia argued is consistent with the written description. As Acacia's counsel said at oral argument:

> Mr. Dorman: If we go to figure 7, and if we go to figure 7 in the patent, which is beside figure 5, it starts "retrieve" at the very top. The first [step] is retrieving. *So there's no discussion about how, how information gets placed into a source material library*.
>
> If we go to figure 2(a) that talks about, about the transmission system, look at the far left side of that. *There's no arrow going into source material library. Source material library is where things start from.* This transmission system speaks of, of only things being maintained there that are retrieved from it. *There's no arrow going in there. . . .*
>
> So this is a description of the transmission system that is, that is — *all that is being disclosed isn't that, as how things are being stored or put in. It's just that they're there*. They're available. They're holding them.

(Benyacar Decl. Ex. J (8/17/07 Hr'g Tr.) at 202:12-25; 203:12-16 (emphasis added).)

Acacia is judicially estopped from changing its position. Judicial estoppel "prevents a party from prevailing in one phase of a case on an argument and then relying on a contradictory argument to prevail in another phase." *New Hampshire v. Maine*, 532 U.S. 742, 749-51 (2001) (factors that inform application of judicial estoppel include: (i) the party against whom judicial estoppel is being asserted advocated a second position that is "clearly inconsistent" with an earlier position; (ii) the court accepted that party's earlier position; and (iii) the party asserting an inconsistent position "would derive an unfair advantage or impose an unfair detriment on the opposing party if not estopped."). Here, all of the factors identified by the Supreme Court support application of judicial estoppel. Because the Court accepted Acacia's argument that the specification does not describe inputting items into the source material library and changed its construction of "storing" in '992 claim 41, Acacia is now judicially estopped from arguing in opposition to the Round 3 Defendants' motion for summary judgment that the '863 "inputting" limitation is supported by the specification. Acacia is stuck with its position that "there's no discussion [in the specification] about how . . . information gets placed into a source material library." *See Astor Chauffeured Limousine Co. v. Runnfeldt Inv. Corp.*, 910 F.2d 1540, 1547 ($7^{th}$ Cir. 1990) ("The principle [of judicial estoppel] is that if you prevail in Suit #1 by representing that A is true, you are stuck with A in all later litigation growing out of the same events.").[32]

Because the "inputting . . ." step of claims 17-19 is not described in the specification, these claims are invalid under 35 U.S.C. § 112, ¶ 1 for lack of enablement and written description.

### B. Claims 17-19 of the '863 Patent Are Invalid Because the Specification Does Not Describe and Enable "Assigning a Unique Identification Code to the Item Having Information"

Claims 17-19 of the '863 patent specify the step of "assigning a unique identification code to the item having information." The Court construed the term "item having information" to mean a *physical* item such as a video tape, film or computer disk. (3rd CCO at 15, 30.) The Court explained that "a proper reading of the specification renders that the word 'items' means physical objects and not the 'information' which might be contained in the physical objects." (3rd CCO at 15.)

However, contrary to claims 17-19, which require the assignment of identification codes to physical objects, the specification describes identification codes as being assigned to *information*, not to physical objects. (*See* col. 2:33-34 ("assigning a unique identification code to the retrieved information"); col. 10:28-30 ("[t]he file is addressable through the unique identification code assigned to the data"); col. 18:65-66 ("assigning a unique identification code to the retrieved information").)[33] The specification says nothing about assigning an identification code to an "item having information," *i.e.*, to a physical object.

---

[32] Acacia's counsel's assertions made at oral argument concerning the lack of written description to support the '863 claim 17 step of "inputting . . ." also constitute judicial admissions sufficient to support this motion for summary judgment. *See Kohler v. Inter-Tel Techs.*, 244 F.3d 1167, 1170 n.3 (9th Cir. 2001) (finding that an attorney's statement during oral argument constitutes a judicial admission) (citing *United States v. Wilmer*, 799 F.2d 495, 502 (9th Cir. 1986)); *Skagen v. Sears, Roebuck and Co.*, No. 87 C 3099, 1989 U.S. Dist. LEXIS 8989, *4 (N.D. Ill. Jul. 25, 1989) (granting defendant's motion for summary judgment on plaintiff's age discrimination claim based on plaintiff's counsel's admission that plaintiff's employer did not consider age as part of its replacement decision; citing *Munoz v. Int'l Alliance of the Theatrical Stage Employees*, 563 F.2d 205, 214 (5th Cir. 1977) ("Statements made by an attorney concerning a matter within his employment may be admissible against the party retaining the attorney")); *see also Totten v. Merkle*, 137 F.3d 1172 (9th Cir. 1998) ("Under the federal rules [Fed. R. Evid. 801(d)(2)], a statement made by an attorney is generally admissible against the client").

When the Yurt applicants wanted to claim, consistent with the specification, the step of assigning an identification code to the *information*, they knew how to do it. In claim 41 of the '992 patent, the applicants used the claim language "assigning a unique identification code *to the retrieved information*." But in claims 17-19 of the '863 patent, they chose to claim "assigning a unique identification code *to the item having information*," a step that the specification does not describe. This failure supplies an additional ground for the invalidity of claims 17-19 under 35 U.S.C. § 112, ¶ 1 for lack of enablement and written description.

### C. Claims 17-19 of the '863 Patent Are Invalid Because the Specification Does Not Describe and Enable A Receiving System That Is "Local" With Respect to a Subscriber Receiving Station

Claims 17-19 of the '863 patent require information to be stored at a "local distribution system" and then transmitted to at least one "subscriber receiving station." As construed by the Court, "subscriber receiving station" means "a receiving device at a subscriber's location," and "local distribution system" means "a reception system . . . located geographically close to subscriber receiving stations which are coupled to the reception system." (4th CCO at 8, 10.)

As the Court observed, "[t]he phrase 'local distribution system' is not used in the written description or prosecution history." (4th CCO at 7.) Because the written description and prosecution history were of no help in construing the claim language, the Court had no alternative but to construe "local" as "geographically close," according to the word's plain meaning. The specification, however, does not say anything about the distance of the reception system from the subscriber's location. The concept of the reception system being "local" – construed by the Court as meaning "geographically close" – with respect to the subscriber's location is completely absent. Because a "local" (*i.e.*, "geographically close") reception system is not supported by the specification, claims 17-19 are invalid for lack of written description and enablement. Furthermore, since it is impossible to tell from the '863 patent what distance qualifies as "local" and what distance does not, the claims are also invalid for indefiniteness.

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[33] In like manner, the specification states that "[p]rior to being made accessible to a user of the transmission and receiving system of the present invention, the item must be stored in at least one compressed data library 118, and given a unique identification code by identification encoder 112." (Col. 6:35-39.) In this passage, in which the specification speaks of an "item" stored in the compressed data library, it is clear that the specification is referring to an item of information (*i.e.*, information itself), not an "item having information" (*i.e.*, a physical object containing the information). The specification consistently refers to the identification code being assigned to information, not to a physical object containing information.

### D. Claims 41 and 45-46 of the '992 Patent Are Invalid Because the Specification Does Not Describe and Enable "Storing Items Having Information in a Source Material Library"

Claims 41 and 45-46 of the '992 patent require the step of "storing items having information in a source material library." At Acacia's urging, the Court reconsidered its construction of this "storing" step and changed it from "placing" physical items into the source material library to "retaining" them there. (5th CCO at 17.) In support of its reconsideration motion, Acacia argued that the "retaining" construction comported with law requiring method steps to be active, and described some of the many actions associated with "retaining": "[f]or film and tape, such maintenance often includes retaining the media in an environment having controlled temperature and humidity – sometimes with robotic machinery to load and unload the media for reading when necessary . . . ." (5/18/07 Decl. of Merrill Weiss, docket no. 239, at ¶ 19.)

However, the specification does not describe any component capable of performing this "retaining" step; it does not say how such "retaining" is accomplished; and it does not describe any of the actions Acacia relied on as being associated with "retaining." As the Court has already pointed out:

> The specification is silent as to what component of the "transmission system" is capable of performing the "retaining" step. With respect to storing physical items having information, the only component discussed in the specification is the "source material library" itself. However, the "source material library" is only described as containing a collection of items having information. See e.g., '992 Patent, Col. 6:8-22.

(5th CCO at 17 n.17.) The Court stated it would "leave[] enablement or definiteness for consideration later if a motion addressing the issue is brought before the Court." (*Id.* at 17.) This is that motion. Claims 41 and 45-46 are invalid for failing to satisfy the written description and enablement requirements of § 112.

### E. Claims 41 and 45-46 of the '992 Patent Are Invalid Because the Specification Does Not Describe and Enable "Retrieving the Information in the Items from the Source Material Library"

Claims 41 and 45-46 of the '992 patent require the step of "retrieving the information in the items from the source material library." Since items in the source material library are physical objects, "retrieving the information in the items" must mean somehow accessing the physical objects and extracting the information contained in them. But the specification does not describe *how* the transmission system performs the retrieval of information from the physical items in the source material library, nor does it disclose any structure capable of performing that function.

The specification states that information is retrieved from the items in the source material library by the "identification encoding means." (*See* col. 2:31-33 ("identification encoding means for retrieving the information for the items from the source material library means"); 1st CCO at 13 ("the function of the identification encoding means is to get back the information that is contained in the items which are stored in the source material library").) But this is of no help at all, because the only structure in the specification corresponding to the "identification encoding means" is the "identification encoder," a component that is itself indefinite. (1st CCO at 18-21; 2nd CCO at 15-18.)

Nor does the specification describe how the "retrieving" step is initiated. The specification states that "[t]he reception system 200 is responsive to user requests for information stored in source material library 111." (Col. 18:1-3.)[34] Completely absent from the specification, however, is any description of how such a user request, submitted to the *reception* system, is communicated to the source material library. Nor, as explained in more detail in Point I.D.1. above, is there a disclosure of any structure of the source material library that is capable of receiving such a request, accessing the physical items, and extracting the information.

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[34] The specification sometimes states that the user requests material in the source material library, and at other times states that the user requests material in the compressed data library. These are not descriptions of alternative methods; they are self-contradictory descriptions of the same method. The two consecutive paragraphs at col. 18:46-59, for example, describe the same method 400 depicted in Figure 7. The first paragraph says

Finally, all of the steps following this "retrieving" step treat the retrieved information as a single related unit of information. For example, once a unique identification code is assigned to this retrieved information, the retrieved information is compressed as a unit and stored as a single file, and it is sent to one single remote location. However, this "retrieving" step requires that information be retrieved from a plurality of "items" containing information. There is no disclosure whatsoever of retrieving related information from a plurality of physical objects in the source material library, and thereafter assigning only one unique identification code to it, compressing and storing it in a single file and sending it to a single remote location.

Thus, the step of "retrieving the information in the items from the source material library" lacks sufficient support in the specification. Accordingly, claims 41 and 45-46 of the '992 patent are invalid under 35 U.S.C. § 112, ¶ 1.

### F. Claim 46 of the '992 Patent Is Invalid Because the Specification Does Not Describe and Enable "Generating a Listing of Available Items"

Claim 46 of the '992 patent requires the step of "generating a listing of available items." The specification does not describe "generating a listing of available items" at all, much less the performance of such a step in a method of transmitting information.

Although various portions of the specification mention the existence of a listing of available items or titles,[35] the specification does not describe (i) the generation of such a list; (ii) when such a

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"[m]ethod 400 assumes that the items have already been stored in compressed data library 118," (col. 18:50-52), while the very next sentence says "the first step of the distribution method 400 involves retrieving the information for selected items in the source material library 111, upon a request by the user of the distribution system" (col. 18:53-56.)

[35] (*See* col. 3:58-59 (the user "chooses audio and/or video material from a list of available items"); col. 11:34-35 ("a catalog listing some or all available titles may also preferably

listing is generated; or (iii) the step of generating as part of a method for transmitting information.[36] Accordingly, claim 46 is invalid for lacking written description and enablement under § 112.

## POINT V

## EACH ASSERTED CLAIM IS INVALID FOR INDEFINITENESS

### A. The Definiteness Requirement of 35 U.S.C. § 112, ¶ 2

The Patent Act requires a patent specification to "conclude with one or more claims *particularly pointing out and distinctly claiming* the subject matter which the applicant regards as his invention." 35 U.S.C. § 112, ¶ 2 (emphasis added). "A claim is considered indefinite if it does not reasonably apprise those skilled in the art of its scope." *IPXL Holdings, L.L.C. v. Amazon.com, Inc.*, 430 F.3d 1377, 1383-84 (Fed. Cir. 2005). "Because claims delineate the patentee's right to exclude, the patent statute requires that the scope of the claims be sufficiently definite to inform the public of the bounds of the protected invention, *i.e.*, what subject matter is covered by the exclusive rights of the patent. Otherwise, competitors cannot avoid infringement, defeating the public notice function of patent claims." *Halliburton Energy Servs., Inc. v. M-I LLC*, 514 F.3d 1244, 1249 (Fed. Cir. 2008).

Indefiniteness is a question of law, because "'determination of claim indefiniteness is a legal conclusion that is drawn from the court's performance of its duty as the construer of patent claims.'" *Default Proof Credit Card Sys., Inc. v. Home Depot U.S.A., Inc.*, 412 F.3d 1291, 1298 (Fed. Cir. 2005) (citation omitted) (affirming summary judgment of invalidity for indefiniteness).

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be published"); col. 17:44-46 ("[t]he library access interface 121 in the reception system 200 preferably includes a title window where a list of available titles are alphabetically listed").)

[36] Acacia concedes that the "patent specification . . . does not specify when this 'generating' step must occur, other than stating that it must occur prior to the system receiving a transmission request from the user. (*See*, '992 patent, 3:54-60)." (5/23/07 Acacia Br., docket no. 241, at 2.) As pointed out above, the passage of the specification cited by Acacia, (col. 3:54-60), refers to the *existence* of a listing; it does not refer to the act of *generating* a listing.

**B. Each Asserted Claim Is Indefinite Based on the Court's Finding That "Identification Encoder" Is Indefinite and Acacia's Stipulation**

The Court has already ruled that the claim term "identification encoder" is indefinite. (2nd CCO at 18.) Acacia has stipulated that "[b]ased on the Court's finding that 'identification encoder' is indefinite, claims 1-42 of the '702 patent are indefinite, and therefore invalid, under 35 U.S.C. § 112, ¶ 2." (Benyacar Decl. Ex. B (4/4/08 Stipulation of Acacia Media Technologies Corporation) at ¶ 2.)

Further, the Court construed "transmission system" to mean "the configurable, interconnected, assemblage of components labeled and described in the specification as 'transmission system 100,' a detailed block diagram of which is shown in Figures 2a and 2b." (6th CCO at 11.) Based on the Court's claim construction, the fact that "transmission system 100" contains an "identification encoder," and the Court's finding that "identification encoder" is indefinite, Acacia has stipulated that all asserted claims of the '992 and '863 patents "are indefinite, and therefore invalid, under 35 U.S.C. § 112, ¶ 2." (Benyacar Decl. Ex. B (4/4/08 Stipulation of Acacia Media Technologies Corporation) at ¶ 3.)

Thus, based on the Court's prior rulings and Acacia's stipulations, all of the claims asserted against the Round 3 defendants are invalid for indefiniteness.

**C. Claims 1-26 and 32-33 of the '702 Patent Are Indefinite Based on the Court's Finding That "Sequence Encoder" Is Indefinite and Acacia's Stipulation**

The Court ruled that the claim term "sequence encoder" is indefinite. (2nd CCO at 18). Acacia has stipulated that "[b]ased on the Court's finding that 'sequence encoder' is indefinite, claims 1-26 and 32-33 of the '702 patent are indefinite, and therefore invalid, under 35 U.S.C. § 112, ¶ 2." (Benyacar Decl. Ex. B (4/4/08 Stipulation of Acacia Media Technologies Corporation) at ¶ 1.)

**D. Claims 17-19 of the '863 Patent Are Indefinite Because the Step of Transmitting "*To At* a Plurality of Receiving Stations" Is Indefinite**

Claim 17 and its dependent claims 18-19 of the '863 patent include the step of "using the stored compressed, digitized data to transmit a representation of the at least one item **to at** a plurality of subscriber receiving stations coupled to the local distribution system." The issue of whether the phrase "to at" renders claims 17-19 indefinite was previously briefed by the parties.[37]

At the September 14, 2006 oral argument, counsel for Acacia made three crushing concessions which, under controlling case law, require claims 17-19 to be found invalid for indefiniteness:

First, Acacia's counsel conceded that the phrase "to at" is an error: "It's clearly a mistake and it wasn't intended . . . ." (Benyacar Decl. Ex. I (9/14/06 Hr'g Tr.) at 93:20-21.)

Second, Acacia's counsel conceded that two possibilities for what the patentees really intended are *equally plausible,* and that the claim scope changes depending on which possibility is used to correct the claim. After counsel for the Round 3 Defendants pointed out that there was no way to know whether the patentees meant to say "to at least one of a plurality " (as they did in claim 14), mistakenly omitting the words "least one of," or whether the patentees meant to say "to a plurality," mistakenly adding the word "at," the Court asked Acacia's counsel whether the two possibilities were just as plausible. Acacia's counsel answered, "They're equally plausible." (*Id.* at 113:12-115:24.) Acacia's counsel further conceded that correcting the claim to read "to at least one of a plurality" would give the claim a different scope than if it were corrected to read "to a plurality." (*Id.* at 116:22-117:2.)

Third, bolstering the equal plausibility of the two possibilities, Acacia's counsel conceded that *both* possibilities are supported by the specification, and that the specification provides no guidance as to which possibility was intended in claim 17. (*See id.* at 94:22-24 ("So transmitting information to a plurality of users is disclosed in the specification"); *id.* at 116:12-13 ("the specification . . . clearly does talk about transmitting to at least one of"); *id.* at 116:14-21 ("there is nothing in the specification that would tell me [which possibility was intended]").)[38]

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[37] (*See* 7/21/06 Acacia Br., docket no. 184, at 46; 8/11/06 Round 3 Defendants' Br., docket no. 198, at 76-78; 8/25/06 Acacia Br., docket no. 208, at 25-26; Benyacar Decl. Ex. K (Round 3 Defendants' Demonstrative Exhibits for September 7-8, 2006 Markman Hearing) at Tab 21.)

The Court may not correct an error in claim language unless the correction "is not subject to reasonable debate based on consideration of the claim language and the specification." *Novo Indus., L.P., v. Micro Molds Corp.*, 350 F.3d 1348, 1357 (Fed. Cir. 2003). In *Novo*, proposed corrections included deleting words, changing a word, or adding a word. *Id.* Because the Court could not tell based solely on the claim language and specification "what correction [was] necessarily appropriate or how the claim should be interpreted," the claim was held indefinite. *Id.* at 1358.

Here too, as Acacia's counsel conceded, two possibilities are "equally plausible": (a) that the words "least one of" were mistakenly omitted; or (b) that the word "at" was mistakenly inserted.

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[38] Because there is no way to tell how to correct the error, Acacia's counsel urged the Court to simply construe the claim as it was mistakenly written - to construe both the "to" and the "at" in such a way that they both add meaning to the claim. The following colloquy ensued:

THE COURT: But am I hearing you correctly. You wish me to leave at in there as a deliberate term that the patentee intended to add meaning to the claim?

MR. BLOCK: It's in the phrase and it, it is there and that's the way the claim was written, that's the way it was submitted and, and –

THE COURT: You're not answering my question. You want me to interpret the claim that this is a deliberate term that adds meaning to the claim?

MR. BLOCK: Yes.

THE COURT: And you need at because it adds meaning?

MR. BLOCK: Yes.

THE COURT: You're a bold man. Very well.

(*Id.* at 118:17-119:8.)

The two possible corrections result in claims of different scope, and there is no way to tell which correction should be made. Therefore, claim 17 and its dependent claims 18-19 of the '863 patent must be found invalid for indefiniteness.

### E. Claims 41 and 45-46 of the '992 Patent Are Indefinite For a Variety of Additional Reasons

Claim 41 of the '992 patent, and its dependent claims 45-46, claim methods of transmitting information to remote locations comprising certain steps performed by a transmission system. These claims are indefinite for several reasons in addition to those identified in Point V.B. above:

1. The Court held that the step of "storing items having information in a source material library" recited in claim 41 means the act of "retaining physical items." (5th CCO at 17.) The Court also held that each step of claim 41 "must commence before the succeeding step commences, and *the antecedent step must finish before the succeeding step can finish*." (3rd CCO at 29 (emphasis added).) But the step of "retaining" physical items is an ongoing process; it is *never* finished. And since the "retaining" step *must* finish before any of the succeeding steps can finish, it follows that none of the steps of claim 41 and its dependent claims can ever be finished. Because it is impossible to complete performance of the steps of claims 41 and 45-46, the claims are indefinite.

2. Dependent claim 45 claims the method of claim 41 "wherein the storing step further comprises the step of . . . separately storing a plurality of files . . . ." The Court stated that "[i]n light of the fact that there is no description of storage in multiple files, the Court declines to construe the phrase 'separately storing a plurality of files' as arguably indefinite." (3rd CCO at 33.) The indefiniteness of claim 45 was subsequently briefed by the parties, but because "no formal motion [was] made by either party with respect to the matter," the Court "decline[d] to take any action with respect to Claim 45 . . . ." (5th CCO at 17.) Since the Round 3 Defendants now formally move for

summary judgment, and since the indefiniteness of claim 45 has been fully briefed,[39] it is respectfully submitted that the issue is now ripe for resolution by the Court.

3. Dependent claim 46 depends from claim 45. As previously explained, claim 46 suffers from the same indefiniteness problems as claim 45. (*See* 8/14/06 Round 3 Defendants' Br., docket no. 200, at 5-6.) However, it also has its own unique ambiguities which render it indefinite. For example, Claim 46 calls for retrieving data blocks corresponding to "request**s**" from "user**s**." However, claim 41, from which claim 46 indirectly depends, calls for sending "a portion of the file" to "**one**" remote location. There is no way to know how, or even if, the data blocks retrieved in claim 46 corresponding to requests from "users" relate to the single file that is sent to "one" "remote location" in claim 41.

## CONCLUSION

For all of the foregoing reasons, it is respectfully requested that the Court grant summary judgment to the Round 3 Defendants, declaring and adjudging all asserted claims to be invalid under 35 U.S.C. § 112 for all of the reasons identified herein.

[39] (*See* 5/8/06 Round 3 Defendants' Br., docket no. 162, at 51-52; 8/4/06 Acacia Br., docket no. 190; 8/14/06 Round 3 Defendants' Br., docket no. 200; 5/23/07 Acacia Br., docket no. 241; 7/18/07 Round 3 Defendants' Br., docket no. 246, at 37-39; 8/3/07 Acacia Br., docket no. 254, at 34-36; Benyacar Decl. Ex. L (Round 3 Defendants' Demonstrative Exhibits for August 17, 2007 Hearing) at Tab 5.)

Respectfully submitted,

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## ECF CERTIFICATION

Pursuant to General Order No. 45, § X.B., the filing attorney attests that he has obtained concurrence regarding the filing of this document from the other signatory to the document.